Daily Report

East Europe

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Serreqi Raises EU Associate Agreement at UN

AU0310102195 Tirana TVSH Television Network in Albanian 1900 GMT 2 Oct 95

[FBIS Translated Text] The Foreign Ministry's Press and Information Directorate reports that, while in New York to attend the UN General Assembly, Albanian Foreign Minister Alfred Serreqi held a meeting with the French state secretary for European affairs.

At this meeting, Mr. Serreqi briefed the French state secretary on Albania's achievements over the past three years. He focused in particular on the possibility of talks for Albania's associate agreement with the EU. Mr. Serreqi underlined the importance the signing of this agreement presents for Albania and focused on its political aspects. Serreqi sought France's support in this respect.

The two interlocutors also discussed the situation in the region, and the Kosova issue extensively.

At a meeting with the italian foreign minister, they discussed President Berisha's upcoming visit to the Republic of Italy, during which a treaty of friendship and cooperation between the two countries is expected to be signed.

At a briefing delivered on the situation in the region, Serreqi focused in particular on the Kosova issue, expressing the Albanian Government's well-known position on this issue. Serreqi also asked the Italian Foreign Ministry for Italy's support for Albania's associate agreement in the EU.

The Italian foreign minister stated that Italian support for Albania for an associate agreement with the EU is beyond dispute.

At a meeting with the Iraqi foreign minister, the two ministers discussed bilateral relations in fields of mutual interest.

Zhulali Asks Government To Approve SOFA

AU0310111895 Tirana TVSH Television Network in Albanian 1900 GMT 2 Oct 95

[Report by Armir Shkurti on Council of Ministers' meeting held in Tirana on 2 October]

[FBIS Translated Excerpt] [Passage omitted] The government today approved the decision to accredit foreign reporters to Albania. The decision is expected to facilitate the work of foreign reporters to get information on our country.

Defense Minister Safet Zhulali insisted the government approve the SOFA [Status of Forces Agreement], which governs the status of peacekeeping military forces being trained in foreign countries. All the NATO countries and Atlantic partners have joined this agreement. That is why Albania is being asked to sign it.

[Begin Zhulali recording] It is necessary to determine what status these forces should have. This agreement precisely governs the status of the forces of a state that is a party to this agreement in the receiving state. As you know, Albania has been actively engaged in the Partnership for Peace. However, to show the status of these forces, NATO has agreed that the partner countries may become members of this agreement, that is, sign it. The forces that take part in various peacekeeping exercises that will be conducted will have the same status as the other NATO forces carrying out such activities.

This is a very important agreement, particularly if we consider the great training activity with the forces of other countries. The Albanian forces will enjoy the same status when they go to another country to participate in peacekeeping exercises. It is of particular importance that the government approve this draft decision so as to have normal activity based on judicial acts, and it would normalize all future activities, placing them on a legal basis. [end recording] [passage omitted]

PSD: Genocide Law Aims To 'Destroy' Opposition

AU0110142295 Tirana Radio Tirana Network in Albanian 1330 GMT 30 Sep 95

[FBIS Translated Text] The Social Democratic Party's [PSD] National Steering Council held a meeting at the party seat yesterday, which analyzed the country's latest political events. At the end, the National Steering Council, among other things, decided to condemn the unconstitutionality of Article 3 of the Law on Genocide and Crimes Against Humanity committed in Albania during the communist regime. According to the party council, the aim of this law is to strike and destroy the opposition parties and particularly the PSD.

The meeting also decided to support the PSD parliamentary group attitudes against the serious violations that defile democracy and demand that the group denounce the law to the Constitutional Court, the Strasbourg Court, and other international institutions.

The PSD Steering Council also pointed out that it is necessary to increase and institutionalize the political cooperation and coordinate the political actions, particularly with centrist political parties such as the Democratic Alliance Party and the Human Rights Union Party, at the same time being open toward left and right centrist parties. It is necessary to create a center pole to serve the rule-of-law state in ensuring a proper and final arrangement of the old and new property and waging an

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effective fight against political and economic arbitrariness and corruption in order to create a new capable and stable administration, and not a single party one. Developing a normal electoral campaign, electing a parliament that is not dominated by a single party, and pursuing a real, consequent, and high rate European integrating foreign policy has already been a political necessity to protect and guarantee democracy in Albania, the meeting finally concluded, according to a report by a PSD spokesman.

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Commentary: 'Risks' Involved in NATO Membership

AU0210105895 Sofia 24 CHASA in Bulgarian 28 Sep 95 p 10

[Editorial: "It Would Be Good To Be in NATO, but We Want No Missiles"]

[FBIS Translated Text] NATO has started playing hardball now that the organization is thinking about deploying nuclear weapons on the territory of its new members. It appears that for candidates like Bulgaria, this would not be very beneficial.

The idea about a nuclear-free Balkans will disappear.

Our participation in the 1968 Nuclear Weapons Nonproliferation Treaty will be compromised.

We will become the target of the nuclear strikes of NATO's eventual enemy.

Everyone knows, or at least guesses, that Russia is this enemy. Our proximity to Russia's nuclear missiles makes us defenseless even under NATO's umbrella.

Membership in NATO involves not only benefits, but also risks. Therefore, prior to joining NATO, Bulgaria should seriously contemplate the issue of what is better—to be occupied by Russia or to be destroyed by it.

Reactions to NATO Expansion Document Reported

AU0310094395 Sofia KONTINENT in Bulgarian 29 Sep 95 p 2

[Staff report: "NATO's Nuclear Criteria for New Members Surprised Sofia"]

[FBIS Translated Text] NATO's study within the framework of the union's strategy of changes, according to which the East European candidates for membership should be ready to admit nuclear weapons and foreign troops on their territory, surprised Sofia's politicians in being so categorical.

Experts in the fields of foreign policy and national security refused to comment on the Bulgarian position, using the argument that the document has not been officially received.

At precisely the time when Willi Claes was briefing the representatives of the Partnership for Peace countries on the document, the U.S. Embassy in Sofia faxed a summary of its contents to the Editorial Boards of the central daily newspapers.

From No. 1 Dondukov (the Council of Ministers) we were told that Prime Minister Videnov and Foreign Minister Pirinski are attending the UN General Assembly session in New York. Members of Videnov's team said that the cabinet could possibly issue a statement on the situation that emerged, after discussing it first in a closed meeting.

According to them, prior to a new round of the NATO-Bulgaria debate at the National Assembly, the president should convene the Consultative Council on National Security. Apparently, this could happen at the beginning of October, after President Zhelev returns from the UN anniversary session in New York.

Sources at No. 2 Dondukov (the Presidency) also refrained from commenting, but they recalled that Bulgaria is the only state from the former socialist camp that still has not categorically declared its willingness to join NATO.

Nikolay Dobrev, chairman of the National Assembly Commission on National Security, said that for Bulgaria it is absolutely inadmissible to deploy NATO's nuclear weapons and military contingents on its territory.

He thinks that deploying foreign weapons on Bulgarian territory would in no way contribute to guaranteeing security in the Balkans. According to Dobrev, it is inadmissible to guarantee Bulgaria's security at the expense of a third country. He stressed that tactical nuclear weapons deployed on Bulgarian territory would prompt the hypothetical enemy to act in the same way.

The chairman of the National Security Commission pointed out that, during its 30-year membership in the Warsaw Pact, Bulgaria never allowed the deployment of foreign troops or weapons on its territory. Dobrev suggests reexamining Bulgarian history and relinquishing the leaning toward a strong protector that has always been a characteristic of our foreign policy. According to him the state must guarantee our national security through a deeper integration in the European structures, which are relevant to stability in the continent.

Dobrev adheres to his opinion that NATO is undergoing internal transformations, and that a decision should be adopted only after the organization clarifies its statute and intentions.

Stoyan Denchev, deputy chairman of the National Assembly Commission on Foreign Policy, said that it is Bulgaria that should decide whether to admit foreign troops and nuclear weapons on its territory. This should be our country's choice, and not something imposed from outside, he added. He thinks that if a consensus is reached in Bulgaria on the membership in any international organization, this must be accepted by all with the relevant advantages and shortcomings.

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National Assembly member Valentin Vasilev thinks that as a military organization NATO should present military prerequisites. He stresses that the legislators must be acquainted with the requirements NATO imposes on the East European states. However, he does not think that those requirements are final.

The eventual deployment of nuclear weapons on Bulgarian territory, or basing foreign troops there, were among the most discussed issues in the last round of the internal political debates for or against NATO membership. No state institution or political force has expressed a categorical position on this issue.

Recently President Zhelev said that NATO membership is the political ticket for entering the EU. Expanding NATO will be implemented parallel to EU expansion and this will contribute in a significant manner to the security and stability of the new democracies in East Europe, the decision adopted by NATO headquarters on 28 September reads. However, NATO strategists forecast that the two processes will not proceed simultaneously at the same pace for all states, but rather in a mutually dependent manner.

In the meantime, the Bulgarian Committee on Neutrality and Independent Policy demanded a referendum at which the voters should demonstrate their position for or against joining NATO. The leaders of the committee claim that after the experience with the Warsaw Pact, NATO would hardly guarantee Bulgaria's national security and stability. They are preparing a draft bill on national neutrality.

Zhelev Comments on Meeting With Holbrooke

AU0210110695 Sofia Khorizont Radio Network in Bulgarian 1000 GMT 2 Oct 95

[FBIS Translated Text] On 2 October, U.S. Assistant Secretary of State Richard Holbrooke met Prime Minister Zhan Videnov and Foreign Minister Georgi Pirinski. The various aspects of Bulgarian-U.S. bilateral relations, NATO's possible expansion, the conflict in former Yugoslavia, and Bulgaria's participation in restoring the region after the war were the basic topics discussed during the meeting.

Richard Holbrooke also was received by President Zhelyu Zhelev, who made the following statement after the meeting:

[Begin recording] Yesterday I gave a working dinner in honor of the special envoy of President Clinton, Richard Holbrooke. The dinner was attended by representatives of all basic state institutions, the government, parliament, and naturally, the Presidency. Three issues were discussed on which there is a total agreement among the state institutions and political forces.

The first issue involved Bulgaria's participation in the restoration work, the so called mini-Marshall Plan, especially the forms of Bulgaria's possible participation.

The second issue involved the U.S. support of a new COCOM [Coordinating Committee for Multilateral Export Controls] and GATT.

The third issue was related to further developing the economic relations with the Republic of Macedonia [The Former Yugoslav Republic of Macedonia—FYROM], relations that are stagnating, but not because of us.

In this context, we have the full support of the United States.

Today, we discussed the Bulgarian arguments for joining NATO and what Bulgaria could contribute to Europe's security through its participation in NATO. The second issue was related to the infrastructure projects in the Balkans. I mean the East-West telecommunication corridor and the north-south project. [end recording]

Holbrooke, Pirinski Hold News Conference

AU0210110795 Sofia Khorizont Radio Network in Bulgarian 1000 GMT 2 Oct 95

[FBIS Translated Text] U.S. Assistance Secretary of State Richard Holbrooke and Foreign Minister Georgi Pirinski gave a news conference on the results of Mr. Holbrooke's to Bulgaria. Vladislav Ostoich attended the news conference.

[Ostoich] Bulgaria adheres to a prudent and brave policy of noninterference in the conflict, and this is an historical achievement, Mr. Holbrooke said.

The peace process in Bosnia-Herzegovina is a difficult enterprise, but there already are achievements.

Asked by the representative of the Bulgarian Radio Khorizont Program about the attack of the Bosnian Muslims, Mr. Holbrooke said that any attempt to achieve a military victory could only create difficulties for the peace process and produce grave consequences.

Expanding NATO is not directed against other states. It only aims to contribute to stability in Europe. The United States supports a united Europe without excluding Russia from it.

The upcoming talks with NATO conceal no commitment for Bulgaria, which should decide alone whether it wants to join the union or if it prefers to remain outside NATO.

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During the talks, the plans for the Balkans' postwar restoration and the U.S. readiness to render significant aid to this enterprise were discussed. However, those plans could be implemented only after achieving peace in Bosnia, Mr. Holbrooke pointed out.

According to Minister Pirinski, Mr. Holbrooke's visit demonstrates the great importance attributed to Bulgaria. This is the first visit of Mr. Holbrooke to a state that neighbors on the conflict region. The Bulgarian side has expressed its willingness to participate, already at this stage, in the plans for the postwar restoration of the region, and the United States has shown understanding, Mr. Pirinski said.

Say Bloodshed Must End

LD0210171095 Belgrade TANJUG in English 1628 GMT 2 Oct 95

["Pool" item]

[FBIS Transcribed Text] Sofia, Oct. 2 (TANJUG)—U.S. Assistant Secretary of State Richard Holbrooke said here on Monday that 'a way is persistently being sought for finally ending the conflict in Bosnia and stopping the war.'

We believe that no side in the conflict can win the war, and that such efforts can only cause further bloodshed and escalate the war, Holbrooke said.

He said that the only right thing was to sit down at the negotiating table and reach a peaceful solution through political means.

The U.S. peace mission has given results, but the path towards peace is a long one and requires huge efforts, Holbrooke told a joint press conference with Bulgarian Foreign Minister Georgi Pirinski.

Holbrooke did not say when the peace conference on the former Yugoslavia would be held and added that the reason for this was the complex situation in Bosnia.

Pirinski said that for his country it is of 'extreme importance to end the bloodshed in Bosnia and reach peace in order to finally stabilize the entire region.'

Pirinski said that the reconstruction and development of the war-torn parts of the former Yugoslavia are important for Bulgaria, which would also take part in this. He said that the United States had expressed understanding for these demands.

In talks with Holbrooke, Bulgarian President Zhelyu Zhelev said that his country 'would continue its policy of noninterference in the Bosnian conflict,' a statement issued after the talks said.

Holbrooke also met Bulgarian Prime Minister Zhan Videnov to discuss the expansion of NATO to the East.

FYROM Attitude Faulted After Accord With Greece

AU0210120895 Sofia KONTINENT in Bulgarian 27 Sep 95 p 6

[Article by Georgi Apostolov: "Much Ado About Nothing"]

[FBIS Translated Text] Recently, a wet blanket was thrown over the excessive enthusiasm that engulfed the rulers of Macedonia [The Former Yugoslav Republic of Macedonia—FYROM] after signing the agreement with Greece.

First, the Greek prime minister and then the mayors of Greek Macedonia reminded Skopje that they have no intention of relinquishing the name Macedonia, even if it does not belong to them by right. The Greek calculations are clear: they would like to prevent certain hotheads in Skopje from even contemplating the idea of restoring Macedonia in its geographic-historical borders, after Serbia becomes smaller and weaker, and Macedonia—at least formally—frees itself from Belgrade's yoke. All this despite the fact that Athens actually does not have too many reasons for concern. On the contrary, at the same time as the fuss the Macedonians created around the New York agreement, they also did everything possible to suggest that they will untie their hands in the south, in order to take a long and unfriendly look at relations with the country to its east.

Bulgaria has good reason to be suspicious after Skopje recently greeted with a benevolent silence Turkish President Demirel's statement that Turkey was the first to recognize independent Macedonia. In addition, last week Skopje expelled an emigrant from Belgium for conducting "Bulgarian propaganda." Who is it in Skopje that needs to forget so quickly that it was Sofia that opened the road for the international recognition of the new state and provided it with a corridor that neutralized the Greek embargo? And, more important, why does he want to forget this?

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Zhirinovskiy Wants To Visit 'in the Near Future'

AU0310075895 Prague PRAVO in Czech 21 Sep 95 p 1

[Report by Alexandr Mitrofanov: "Zhirinovskiy Is Getting Ready To Come to the Czech Republic"]

[FBIS Translated Excerpt] Moscow—Russian Liberal Democratic Party Chairman Vladimir Zhirinovskiy is getting ready to visit the Czech Republic. He plans to visit as soon as possible after the Russian parliamentary elections, which will be held this December. Zhirinovskiy made this statement in reply to a question from PRAVO at the 20 September news conference in the Russian State Duma.

"You have abolished visas, so it is easier and we would like to come in the near future, as soon as we receive an official invitation," he said literally, adding that he is postponing all of his foreign trips in the run-up to the elections. He emphasized that "he would like to come" to the Czech Republic because, of the Slavic states, the Czech and Slovak Republics are the only countries he has not yet visited. "We have great respect for the Czech lands and Slovakia," he declared. [passage omitted]

Interior Officials Sacked Over Top Secret Leaks

LD0210165695 Prague Radiozurnal Radio Network in Czech 1500 GMT 2 Oct 95

[FBIS Translated Excerpt] Czech Interior Minister Jan Ruml today relieved of their posts Vladimir Nechanicky, director of the Ministry Inspection Department, Nechanicky's deputy Petr Faltus, and another four Inspection Department employees.

This is due to the leaks of information from a top secret document of the Inspection Department regarding a police raid on the U Holubu Restaurant in Prague in May of this year. Jiri Petrovic reports:

[Petrovic] Minister Ruml said that there was a reason to believe that the confidential information had leaked from the Inspection Department and that the above-mentioned employees had very seriously violated their service duties. Ruml said that today he formed a special investigation team. [passage omitted] The team is launching an investigation into this affair with an immediate effect.

Ruml described the leak of information as a threat to the Czech police operations against Russian-speaking [as heard] criminal organizations and as a very serious threat to at least one person named in the documents. [passage omitted]

Doctors, Teachers Threaten To Strike This Fall

95CH0334A Prague PRAGUE POST in English 8 Aug 95 p 9

[Article by Marci Shore, European Studies Center, Institute for East-West Studies, Prague: "Irrational Labor Policies Continue to Reign in Absurdistan"]

[FBIS Transcribed Text] Come this fall, there may be strikes in Absurdistan.

Yet in a variation on the traditional theme, it is not the Czech working class, but rather the professionals—doctors and teachers—who are contemplating striking.

They would strike not against the robber barons and greedy capitalists, but against the vestiges of socialism—made particularly unbearable by their collision with capitalism.

Yes, it is a situation of absurdity: The most educated often receive poverty-level salaries in a country hailed as a success story. More than that, it is a protest against the habituation to absurdity—to the upside-down hierarchies that became endemic during the "normalization" of the 1970s and earned this country the nickname Absurdistan.

This is an economy—and a country—in transition. Foreigners and foreign businesses have arrived, bringing hard currency. There is a housing shortage. Prices have increased dramatically. A nontrivial segment of the population is now earning considerably more money—particularly those working for foreign companies in the tourist industry.

Certain professions, however, such as doctors, teachers and professors, remain within the state sector. As a means of controlling inflation, the state has put a relative freeze on these wages, with the result that doctors and teachers (positions involving five or six years—or more—of higher education) sometimes earn less than the average salary in the Czech Republic.

Particularly for those without family members contributing additional income—or those who had not previously secured an apartment from the state—it's a barely livable situation. For university students preparing for these professinos, the situation can be even more difficult. Once successfully completing the equivalent of college and graduate school, they are qualified to earn less money than, say, waiters in restaurants catering to tourists, insurance agents or taxi drivers.

Even a rational person might choose to view the situation in one of the following ways: Poverty is simply the fate of the intellectual; a diploma can serve as an attractive wall hanging—where it can stay while its

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recipient seeks employment in business; it clearly makes more sense to forgo the university in favor of lucrative employment as a cab driver; or it clearly makes more sense to emigrate.

So what does this mean for the future of this country?

Underlying privatization, controlling inflation and integrating into the European Union is the question of what it means to be "Western" and "European" (terms often conflated).

"East" and "West" are words employed here with the deepest subtext of normative bias. "West" connotes prosperity and superiority. "East" backwardness—perhaps understandable, but a dangerous simplification. For if the Czech Republic sacrifices its intelligentsia in the interest of cultivating a young, cosmopolitan class of business people, the country may gain fast admission into European clubs, but may ultimately lose more in the compromise.

Cultivating a Western, democratic culture means more than raising a generation of followers of Klausian economics. It also means supporting a qualified scientific intelligentsia that can become part of the world scientific community, as well as a firmly rooted intellectual community and civil society that, in the long term, can form a basis for a stable democratic culture.

But the long term has not arrived yet. Even as physicians are planning strikes, effective social protest remains vital. Bosses at medical clinics (who have the power to fire doctors) are declining to support them. These administrative positions are comparatively well-paid by the state, leading one to speculate on possible collusion.

Similarly, in a small town in west Bohemia, the headmaster of a secondary school has managed to intimidate the teachers there into not participating in a strike. An effective strike in the fall would involve overcoming collusion, intimidation and other obstacles—including a lack of unity within striking communities and a lack of tradition; this will likely violate the ethical biases of a public not used to this kind of civic protest.

The situation here can no longer remain static. A strike could draw the limits of the government's power—as well as of the people's tolerance. It remains possible. A post-communist variation on the once-upon-a-time rebellion by American workers against the robber barons, and a new era in history, have begun.

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Warning From Russian Envoy About Joining NATO

AU0210142895 Bratislava SLOVENSKA REPUBLIKA in Slovak 30 Sep 95 pp 1-2

[Interview with Sergey Yastrzhembskiy, Russian ambassador to Slovakia, by Monika Volekova; place and date not given: "Double Standards for 'Different' Europeans"]

[FBIS Translated Text] Bratislava—In Brussels on 28 September, NATO Secretary General W. Claes submitted to the postcommunist countries of Central Europe a study on the enlargement of the alliance. This study has provoked numerous reactions. In connection with this issue, we asked Sergey Yastrzhembskiy, ambassador of the Russian Federation to Slovakia, for an interview:

[Volekova] It seems that the debate on NATO's expansion eastwards has become more intense again recently. How does Russia react to this?

[Yastrzhembskiy] The approval of the NATO document concerning the pact's enlargement and, in particular, the latest statements by senior U.S. officials in the capitals of Central and East European countries have certainly significantly increased tension in discussions on these issues, also in Russia.

I do not think that familiarity with NATO's studies will change the negative attitude of Russian public opinion toward this issue, an attitude that is surprisingly unanimous, or the Russian leadership's attitude toward the plans to expand the borders of NATO to the east. We are convinced that this would inevitably lead to a number of negative consequences for both Russia and international security. One of these negative consequences would be a dramatic [prudky] decline of Russian confidence in the West—with all of the inevitable political, military, and psychological repercussions—because the West wants to enlarge NATO despite the clear previous commitment by senior representatives of the alliance not to expand NATO's borders after the consent of the former USSR with the unification of Germany. NATO's "*Drang nach Osten*" [tazenie na Vychod] would very graphically demonstrate that the West has no trust in the success of Russian reforms and that the scarcely concealed policy of containment vis-a-vis the Russian Federation continues. Naturally, we will have to adopt adequate measures to guarantee our own security.

[Volekova] Could you comment on the statements made by Mr. Shalikashvili in Bratislava? He spoke about, among other things, the possible deployment of NATO nuclear forces on the territories of future new NATO members.

[Yastrzhembskiy] The U.S. general said with the candor of a soldier what politicians from NATO countries and some East European countries have been trying to conceal to date. At the same time, the general's words about the priority NATO ascribes to maintaining good relations with Russia are nothing but a "propagandistic bow" to Russia that, however, can hardly hoodwink anyone. It really is very hard to trust the friendly endeavors and good intentions of people who are planning to deploy their nuclear forces alongside your borders, in spite of the fact that even the slightest signs of a threat from the Russian side are missing. Moreover, notice that the pact associating democratic states intends to deploy nuclear weapons even in countries where these weapons had not been stationed during communist totalitarian regimes!

It is also characteristic that the statement that the candidate countries for NATO membership should come to terms with the possible deployment of nuclear weapons on their territories was made in a country that, as far as we know, has until now preferred the so-called Danish or Norwegian model (a model without foreign bases and without nuclear weapons in peacetime). What is involved is the evident application of double standards toward "different" Europeans. This also confirms that NATO has proved unable to adapt to the new challenges that have been facing the pact since the end of the Cold War. It is evident that the appearance of nuclear weapons in any state of Central and East Europe would inevitably lower the threshold of that state's security and would negatively influence the whole range of its relations with Russia.

SNS, HZDS Oppose Stationing of NATO Weapons

AU0310102795 Bratislava SME in Slovak 30 Sep 95 p 3

[Article by "bog, sp" in the "SME Inquiry" column: "Politicians About the Study on NATO's Enlargement"]

[FBIS Translated Excerpt] NATO Secretary General W. Claes has submitted to representatives of the 26 states that participated in the Partnership for Peace project a study on the enlargement of the North Atlantic Alliance. Regarding this, we asked politicians about their assessment of the NATO study and the potential deployment of nuclear warheads on the territories of former Warsaw Pact countries. [passage omitted]

Jozef Sedovic, deputy chairman of the Slovak National Party [SNS]: "I admit that I have not had the opportunity to familiarize myself with the whole text of the study. Should our integration into this military system be realized, this would apparently also entail certain commitments regarding the deployment of nuclear weapons on

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our territory. I regard this as a considerable risk, and it is therefore necessary to weigh this matter carefully. The appropriate question is against whom we would want to defend ourselves or, as the case may be, whom we would want to attack. I cannot imagine our getting into conflicts with the fraternal Slavic nations."

Engineer Architect Oliver Csiky, director of the Movement for a Democratic Slovakia [HZDS] International Relations Department: "The HZDS welcomes NATO's internal study on the enlargement of the alliance. We have also received positively W. Claes's statement that the Slovak Republic could be admitted among the first four states of Central Europe, which are the Czech Republic, the Slovak Republic, Poland, and Hungary. It follows from the study that the newly admitted countries will be protected by NATO's security umbrella even without having to receive foreign units on their territories in peacetime. Regarding the existence of nuclear warheads on our territory, our opinion is that, at present, it would be appropriate not to deploy these NATO weapons on our territory for some time, also in view of Russia's stance and fears." [passage omitted]

Council Criticizes SIS, Police Over Kidnapping

AU0310101895 Bratislava PRAVDA in Slovak 30 Sep 95 p 1

[Report by CTK, TASR, PA: "Critically About the Slovak Information Service and the Police"]

[FBIS Translated Text] Bratislava— Yesterday's 11th meeting of the State Defense Council was presided over by its chairman, Vladimir Meciar. It dealt, among other issues, with the tension between the Slovak Information Service [SIS] and the police in connection with the investigation of the kidnapping of Michal Kovac Jr., and, according to Vladimir Meciar, it "assessed the situation very critically regarding both the SIS and the police."

According to the prime minister, the recommendation emerged from the meeting that the interior minister undertake certain measures. The demand was also raised for a consistent course of action by the prosecutor's office and the Interior Ministry's inspection authority. "If someone wants to dabble in politics, there is no place for him in the police," the Slovak prime minister told Slovak Radio, indicating the possibility of the police investigators' dismissal. The State Defense Council also discussed a report on the results of an inquiry into material and fuel contingency reserves and the standard of preparations for taking them out of store for the armed forces, as well as a report on the results of an inquiry into the protection of hydroelectric power projects and the population in endangered areas. It also dealt with the fulfillment of tasks in the sphere of defense, security, and protection within the department of the Ministry of Justice of the Slovak Republic and in the Trnava and Svidnik districts.

Investigator Confirms Suspicions

AU0310103395 Bratislava SLOVENSKA REPUBLIKA in Slovak 29 Sep 95 p 3

[Interview with Peter Vacok, investigator of Michal Kovac Jr.'s abduction abroad, by Andrea Hinkova; place and date not given: "The Prosecutor Acted In Accordance With the Law; Investigator Peter Vacok Admits That Information From the Slovak Information Service Has Moved the Investigations Ahead"]

[FBIS Translated Text] Yesterday we published part of an interview with Major Peter Vacok, investigator of the case of Michal Kovac Jr.'s kidnapping. Let us recall that, in connection with the filing of charges against a person who refused to testify on the grounds of being bound by the vow of silence, Peter Vacok said that he supposes that this person probably was a Slovak Information Service [SIS] employee. He does not know this officially, however.

[Hinkova] What facts lead you toward the secret service?

[Vacok] I see the whole problem on two planes. The first concerns evidence against specific persons. I was convinced that, on the basis of information ascertained in the course of the investigation, I had collected enough evidence against one person to justify the filing of charges for the crime in question. I therefore issued a decision, on the basis of which I conducted proceedings against a specific person. The second plane is the question of evidence concerning the participation by some other organization -or, as the case may be, SIS in this criminal act. On this second plane, we have collected enough evidence to be able to say that—and I stress this—not SIS but equipment that belongs to SIS, and certain people who, as everything suggests, are working there took a certain part in the perpetration of this criminal act.

[Hinkova] You said "a certain part." How are we supposed to understand this?

[Vacok] This criminal act was committed in an organized way. It had certain phases. The first was the shadowing of the victim, the next the stopping of his vehicle, and the last his being dragged across the border.

[Hinkova] It is thus possible to assume that not all of the people who took part in the case knew that they were committing a criminal act....

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[Vacok] Yes. The person against whom I filed charges was accused because of activity in the first phase, that is, shadowing. As you surely know, this person has been released on the basis of the overseeing prosecutor's [dozorovy prokurator] decision. This was a completely legitimate course of action, and I cannot take any exception to it. However, I cannot close the matter without this person's testimony. Should it turn out that this person was at the scene of the crime and was engaged in his activity without knowing that the results of the activity would be used to commit a crime, it would be possible to terminate the investigation, and the nature of the activity would cease being criminal.

[Hinkova] Does this mean that you still insist that some SIS employees be relieved of their vow of silence?

[Vacok] It is necessary to secure certain information regarding the SIS for the purpose of criminal proceedings in this matter. First, it is necessary to relieve certain people of their vow of silence or, as the case may be, to reply to the question of whether these people work there. The second category represents information concerning certain activity of the SIS. As long as I do not have this information, I can neither confirm nor deny the suspicion.

[Hinkova] Minister of Interior Ludovit Hudek recently said that cooperation between the investigating team and the SIS exists and that the secret service provided information that has moved the investigation ahead....

[Vacok] Cooperation is to a certain extent necessary and possible. I have never been opposed to it. However, I have been opposed to the forms in which this cooperation was to take place. After joining the team of investigators, I reserved the right not to inform anyone outside the range of people specified by law about the course or the results of the investigation. As regards cooperation with SIS, personally I believe that it should involve only a designated member of the investigating team and one SIS staffer. These should meet. This does not mean, however, that we ought to inform SIS about everything.

[Hinkova] And what about the information that you have received from the SIS?

[Vacok] The SIS had information that has been incorporated into the plan of activity and has become the subject of further investigation. Yes, it is true that this information has moved the investigation ahead. (endall)
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Weekly Sees Need 'To Welcome' Iliescu Offer

AU0310113695 Budapest HETI VILAGGAZDASAG in Hungarian 30 Sep 95 pp 90-91

[Commentary by Miklos Gaspar Tamas: "Offer From Wallachia"]

[FBIS Translated Text] The Hungarian parliamentary and nonparliamentary opposition (with the particular exception of the Workers' Party) is urging the Socialist-Liberal or center-left government coalition to give up its politics of rapprochement in view of the difficult situation of the Hungarian minorities living in the Trianon successor states. In words, both right- and left-wing nationalist opposition members claim that they would like to return to the confrontation of the Antall-Boross era, but they have no other distinguishable goal but to declare the center-left government "antinational," which is a usual tactic since [then foreign minister] Jeszenszky's memorable parliamentary attack (and the departure of the then liberal and socialist opposition from Parliament), only the Federation of Young Democrats-Hungarian Civic Party's [FIDESZ-MPP] voice is new in this. The current Hungarian foreign policy, hallmarked by Horn, Kovacs, [Foreign Ministry State Secretary] Szent-Ivanyi, Tabajdi [political state secretary at the Prime Minister's Office], Labody [head of Office for Hungarians Living Beyond the Border], and Torzsok [Office for Hungarians Living Beyond the Border deputy chairperson] is progressing in accordance with the decision of the voters and with the joint government program—and in his special way of being above politics, President Goncz is also helping in this.

This policy is successful.

It is not successful because we could have significantly improved the situation of the Hungarian communities beyond the border—only the Romanian, Slovak, Serbian, Ukrainian, Croatian, Slovenian, and Austrian democrats are able to do this. The only possibility for Hungarian foreign policy is to come to an understanding with those forces in the neighborhood that want conciliation and understanding. These forces have various motivations. Apart from Slovenia, the liberal parties and the media are weak, although they do have some intellectual and moral respect—and not only domestically. The rest are motivated by international and domestic political interests. Neither Slovak Prime Minister Meciar nor Romanian President Iliescu can overtake his ultranationalist and "national communist" competitors from the "right," and President Milosevic may also soon find himself in a similar situation after the Krajina and Bosnian defeat. They must come to an agreement with the moderate and democratic political units if they do not want to become completely unacceptable to the West and for their remaining moderate voters by allying themselves with the (open or crypto) fascists and the [head of Russian Communist Party] Zyuganov-type national bolsheviks. They must also realize that—unless they introduce open dictatorship—they must take the minority Hungarians into account as a political factor.

In fact, in the current, bad situation (which mostly, but not solely, is due to their own fault) it is only through improving relations with Budapest that the Romanian, Slovak, and Serbian Governments will be able to come to an understanding with the local ethnic Hungarian citizens who have not cast any votes for them.

So far, the neighboring successor states have only reacted to Hungarian initiatives and they did not have to hurry very much because, in accordance with their short-term calculations, the local Hungarian minority and ethnic parties did not exert much pressure on them for reconciliation. Some minority Hungarian politicians only supported the idea of the basic treaty when it seemed that their local governments would reject it. On the other hand, the Romanian, Slovak, and other ultranationalists and "national communists" made it impossible for their own governments to assess Hungary's initiatives sympathetically.

The huge Western success (which cannot be exaggerated) of the offensive of smiles by Horn and Kovacs, and the Hungarian center-left government's stability and support based on a big parliamentary majority have made the Slovak and Romanian Governments think. At the pressure of their own bases, however, they only managed some constrained grin [bazsalygas]: The Hungarian-Slovak basic treaty has still not been ratified in Bratislava, and Bucharest has not even signed the Hungarian-Romanian treaty (and it could not even do so without a loss of prestige).

It is to the credit of President Iliescu's intelligence that he has become envious of the spectacular successes of Hungarian diplomacy. Iliescu is an ambitious man. He aspires to de Gaulle's laurels, and he finds it difficult to tolerate the West's quasi-ostracism resulting from some of his former blunders (visit of miners, Marosvasarhely [Tirgu Mures], and the censorship of television). At the same time, due to the weakness of the PDSR [Social Democracy Partry of Romania], the presidential party, and its constraint in a quarantine, his ability to maneuver is small. The willingness of the liberals and Petre Roman's democrats to agree with the Hungarians (even if this willingness is not always according to the wishes of the Democratic Union of Hungarians in Romania) preceded his. However, these parties would not have anything to do with him or—mainly—with his party, which is openly allied to the knights of darkness

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and with all kinds of remnants of ill reputate from the Ceausescu-type national-Stalinist party state.

With his historic—although a bit general, foggy, and contradictory—offer of reconciliation, President Iliescu suddenly broke out of his political custody and passed the ball over to the court of Hungary's politics and to the Hungarian media, and has also made the Transylvanian Hungarian leaders show what they really mean.

The Hungarian response so far is disappointing. Many people will use Iliescu's past as an argument against his offer. However, this is not a counterargument. To use precisely his De Gaulle parallel: General De Gaulle came to power with the slogan of "French Algeria"—only he could make peace with the Arabs. Menachem Begin became prime minister with the slogan of "Greater Israel"—only he could sit down with Anwar Sadat for talks. The Romanian public might believe President Iliescu that reconciliation is needed because the president is not exactly famous for his Hungarian-friendliness. At any rate, Iliescu's offer is a radical change in Romanian politics and, if its reception is satisfactory, it can indeed be of historic importance.

In my view, conscious of their responsibility, the representatives of Hungary's and Transylvania's Hungarian political life are obliged to welcome this offer. The objection that the—justified and unjustified—complaints of the Transylvanian Hungarians are increasingly loud is not incorrect, but it makes no sense. Remedying their injuries can be hoped for precisely from the conciliation initiated of President Iliescu. This might not turn into vitriol either, but it is definitely impossible to achieve any progress without it.

President Iliescu is not our friend. However, it is not a major achievement to reach agreement with a friend. The psychological barrier of mistrust can only be broken down by generosity. Of course, all those who applaud the Iliescu proposal will be accused of treason, pederasty, and satanism by the chauvinists. Therefore, much courage is needed to applaud the offer.

Anyone who does not befittingly respond to Iliescu's significant proposal will allow his politics to be dictated by irresponsible ultranationalists who desire Bosnian conditions. However, it is in vain for moderate and sober-minded democrats to desire recognition by these people. For this very reason, one cannot understand why—contrary to his party's foreign policy concept, and based on attractive pseudo-arguments—Matyas Eorsi, liberal chairman of the parliamentary Foreign Affairs Committee, had to attack precisely Horn who is conducting a confidential summit diplomacy in the interest of eastern European reconciliation.

The offer from Wallachia is a challenge: This time, it is our turn to show that we are able to overcome our prejudices, examine our own conscience—because the situation of the national minorities in Hungary is not exactly perfect—and put aside our undeniable sorrows and negative memories; and we must show that we at last are willing to use the opportunity that we should have used five years ago, but which has been regularly and deliberately missed by the Romanian and Hungarian nationalist governments. To be frank, our Romanian policy was comfortable and simple, while the partner's rigid opposition ensured the not-unjustified domestic rhetorical successes. The Romanian president's proposal was received with a confused silence in Budapest.

The confusion also indicates: This is a serious matter.

Opposition Sees MSZP Decision as Horn's Defeat

AU0110211195 Budapest MAGYAR NEMZET in Hungarian 29 Sep 95 p 5

[Unattributed report: "The Socialists Have Been Defeated—Reaction of the Opposition Parties"]

[FBIS Translated Text] The Hungarian Democratic Forum [MDF] draws the conclusion from the statement issued after the Hungarian Socialist Party [MSZP] executive committee's session on 28 September that supporters of the coalition's maintenance had gotten the upper hand in the party's leading organization, and they forced the prime minister-party chairman to withdraw his plans. MDF spokesman Karoly Herenyi said this to MTI on 28 September. Herenyi added that the MDF is convinced: This is not the end of the coalition wrangle. The MDF hopes that the two parties can rise above the rivalry and will not endanger the acceptance of the 1996 budget bill.

According to Jozsef Torgyan [chairman of the Independent Smallholders Party], Prime Minister Gyula Horn suffered a spectacular series of defeats by having to give up his plans to change the government, and this means the beginning of the end for the coalition. Torgyan repeated his already known views that the reason the coalition parties did not break up is that the two parties' expectations of each other have not yet been achieved. He also indicated that the Free Democrats definitely want to wait until the MSZP's autumn congress because the prime minister's possible replacement would create better positions for them. Torgyan finally said that the coalition disputes which have been "swept under the carpet" will resurface at the beginning of next year at the latest.

It is a complete defeat for the MSZP that it is abandoning its own initiatives which contained many realistic el-

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ements, Tibor Fuzessy, executive chairman of the Christian Democratic People's Party, summed up the MSZP executive committee's statement. He said that the Socialists probably did not have the courage to take on solo governing or were afraid to go through the budget debate without the Alliance of Free Democrats' [SZDSZ] support. He added that it is possible that they would not even be able to get the budget accepted by certain Socialist deputies if the coalition was split up. Fuzessy found the finance minister's statements in connection with the coalition, in which he kind of blackmailed the MSZP's leadership, interesting. It seems that the Socialists were unable to resist the joint action of the Free Democrats and [Finance Minister] Lajos Bokros.

The Federation of Young Democrats-Hungarian Civic Party did not wish to react in merit to the events at the MSZP executive committee.

National Opposition Roundtable Established

LD0110230395 Budapest Kossuth Radio Network in Hungarian 2100 GMT 1 Oct 95

[FBIS Translated Text] A national opposition Roundtable has been established with the aim of—quote—preserving the country's national interests and values and improving the Hungarian nation's Christian national life. Spokesman Sandor Matonyi said that the roundtable will prepare a program to rescue the nation and they intend to contrast it with the present government's plans.

The spokesman has not published the list of the almost 90 parties and civic organizations participating in the roundtable. However, he said that Jozsef Torgyan [chairman of the opposition Independent Smallholders' Party] has indicated that he does not intend to participate in the work of the national opposition roundtable in any form.

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Izetbegovic To Continue Talks With Holbrooke

AU0210193395 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1800 GMT 2 Oct 95

[Report by Senada Cumurovic on a news conference by Alija Izetbegovic, president of the Bosnia-Herzegovina Presidency, and U.S. Assistant Secretary of State Richard Holbrooke in Sarajevo on 2 October—recorded]

[FBIS Translated Excerpt] [Cumurovic] Most of today's one and a half hour talks concentrated on the cease-fire issue, Alija Izetbegovic said, addressing reporters after his meeting with Holbrooke.

[Izetbegovic] Nothing has been concluded. We do not have a decision, but we had very constructive talks on this issue. I think that we will be resuming the talks on Wednesday [4 October], when Mr. Holbrooke returns to Sarajevo.

We also discussed the issue of elections. We discussed various modalities and options for future elections. I stressed for my part the importance of the conditions under which the elections are held, that is, there will be no real elections unless there is freedom first. All elections are connected to an election campaign and this implies the freedom of political party activity, the freedom of speech, press, and so on. Of course, this issue is also to be further discussed. We discussed the preparation of some sort of a draft document that would contain alternative solutions. We agreed that this issue snould be solved within the peace agreement. It should not be left for later.

These were the two main issues that we discussed today. [passage omitted]

[Cumurovic] Although not directly linked with today's talks, but still connected to the normalization of conditions in Bosnia-Herzegovina, President Izetbegovic responded to a question on natural gas supplies to the capital.

[Izetbegovic] I think that I can give an optimistic statement in connection with that, at least when it comes to natural gas. Mr. Silajdzic is in Moscow trying to sort out the issue of payment for the gas. He is there with full authority to solve this issue and I think that he will be returning with a deal to have gas delivered to the city. I imagine that this could happen before the day is out.

[Cumurovic] So the talks on peace in Bosnia-Herzegovina are continuing. U.S. envoy Richard Holbrooke will be in Sarajevo again on Wednesday.

Official Stresses Government's Multiethnic Policy

AU0210175995 Paris AFP in English 1731 GMT 2 Oct 95

[Report by Adrian Brown]

[FBIS Transcribed Excerpt] Sarajevo, Oct 2 (AFP)—The U.S. peace drive for Bosnia appeared to slow Monday [2 October] with special envoy Richard Holbrooke failing to make headway on securing a countrywide ceasefire when talks with the Bosnian leadership ended "inconclusively." [passage omitted]

Earlier coordinated offensives in western and northern Bosnia by government and allied Croat forces swept tens of thousands of Serb refugees into the Banja Luka region. Progress was rapid, largely due to the assistance of Croat heavy weapons bringing government forces within 20 kilometers (12.5 miles) of the town at one point.

These have now been stood down under orders from Zagreb and a repeat of the spectacular gains seems unlikely, military analysts said.

Clashes between the Bosnian Serbs and government forces however persist in the north west of the country where the Serbs are taking back territory lost to a Bosnian army offensive earlier this month.

Gains have brought the Serbs within artillery range of Bosanska Krupa, a key town captured two weeks ago which came under shell attack Sunday according to UN officials.

Bosnian Foreign Minister Muhamed Sacirbegovic, stressing that the current fighting "was not a land grab," said Sarajevo was ready for a ceasefire "if all those who have been ethnically cleansed from Banja Luka are given the opportunity to return home."

Calling for those "that continue the ethnic cleansing" to be "somehow taken out of that area" he added, "we continue to do all we can to ensure that Serbs, Croats and Moslems and others are given the opportunity to stay in their homes or return to the homes they came from."

During the 42-month war, over half a million people, mainly Moslems, were driven from their towns, villages and homesteads in the Banja Luka region by Serb extremists acting with the complicity of the present Bosnian Serb leadership.

"The ceasefire is not about continuing war, it's about which ideology will prevail and have the advantage at the negotiating table. We are trying to make sure that the ideology of a multi-cultural Bosnia is one where

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everyone has the freedom to live where they want," Sacirbegovic said. [passage omitted]

Bicakcic Sees Future 'Integration' of State

AU0310115195 Ljubljana OSLOBODJENJE (Europe Edition) in Serbo-Croatian 28 Sep-5 Oct p 5

[Interview with Edhem Bicakcic, temporary member of the Presidency of the Republic of Bosnia-Herzegovina and temporary vice president of the Federation of Bosnia-Herzegovina, by Senka Kurtovic; place and date not given: "The Map of Unclear Intentions"]

[FBIS Translated Text] "The Government of the Republic and the Federation of Bosnia-Herzegovina accepts only the Contact Group map, which establishes the territorial ratio of 51:49," says Edhem Bicakcic, temporary member of the Presidency of the Republic of Bosnia-Herzegovina and vice president of the Federation of Bosnia-Herzegovina, commenting on the latest alleged visions of Bosnia-Herzegovina according to Holbrooke's plan, or the NATO plan, published in the Croatian press.

[Bicakcic] The goal of the authors of those maps is, most probably, to cause chaos, and thus realize their war goals with the method of special war. We know only one thing—wherever the Bosnia-Herzegovina Army holds its present positions, there will be no withdrawal. The free territory of the federation will be increased up to 51 percent according to the Contact Group plan and, according to the federation plan (from Vienna), up to 58 percent. Exactly how that will be carried out on the terrain—that depends on our forces, our organization, and on the possibilities of realizing certain political aspects with military means at a given moment. It is also important to add that the Contact Group plan leaves the possibility of smaller corrections to this map.

[Kurtovic] What do "smaller corrections" imply?

[Bicakcic] The demarcations have been drawn with a felt pen on the map. Since the pen was thick, it was not done in a precise enough way. That is why corrections are possible in some places, to the advantage of one side or the other.

The Division of Bosnia

[Kurtovic] Before you, there is a map that has allegedly been thought out by NATO, but has never been presented to our negotiating team. What, in your opinion, is the goal of this map?

[Bicakcic] According to this map, over 70 percent of the territory belongs to the federation, and it is clear that the goal of the authors of this map is to provoke the interest of our government so as to accept such proportions, thus also accepting the division of Bosnia-Herzegovina. That cannot be the attitude of our legal authorities. Such issues are considered and decided by the parliament, and the decisions of the parliament control the negotiating delegation. On the other hand, such a map is unrealistic from the point of view of the Serbs who live in Bosnia-Herzegovina. I do not believe that their leadership, which did not even accept the Contact Group map, will accept this map, which reduces them to 30 percent of the territory, along the Drina River on the border with Serbia and Montenegro. That probably implies an annexation of that territory. That, in fact, is the message of this map. Regardless of how attractive it might look, I am against that map, and we will try to realize and preserve the integrity and sovereignty of Bosnia-Herzegovina through the peace process and negotiations. The internal arrangement of Bosnia-Herzegovina, which at first will inevitably follow ethnic lines, will only be a transitory phase, and there will be an integration of the complete territory in the future.

[Kurtovic] What will be agreed about the liberated territories that were not included in the Contact Group plan or the federation plan and that are currently under the control of the HVO?

[Bicakcic] I expect some problems regarding those agreements, but I do not think that they are impossible to solve. By now, we have been able to solve much bigger obstacles, so that, in negotiations—which, I repeat, will not be easy—we must insist on the right of all citizens to return to their homes on the territory of the federation. According to that principle, and I believe that it will not be disputed, the Bosniaks will be able to return to Jajce. At the moment, that looks somewhat unfeasible. But, at this moment, the passions should be calmed and the problems solved through negotiations.

[Kurtovic] Whom do you have in mind when you say that "the passions should be calmed"?

[Bicakcic] I visited central Bosnia recently, and I could see that many people from Jajce could hardly wait to go back to their town, which is not possible for them at the moment. That might lead to some incidents, which should be solved through political work on the ground.

Federation by New Year

[Kurtovic] Your statement that the so-called Croat Republic of Herzeg-Bosnia will live until New Year can also be viewed in that context. What are the chances of your predictions coming true?

[Bicakcic] Actually I said that the federation will be implemented by New Year, and I am convinced that

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we do have that chance. And if the federation is implemented, then Herzeg-Bosnia stops existing. This task depends on us as well, because we have to try hard for the federation to be implemented on all territories. The very establishment of Neretva Canton fully solves some these problems. The decisions of arbiters have also been made, and the HDZ [Croatian Democratic Community] convinces us that they will be carried out. The Split Agreement and the agreement from Jablanica make the integration of functions on the level of the federation possible, and, in my opinion, we are very close to the solution of this problem.

[Kurtovic] The Croat side insists on the existence of one government. How can that request be solved?

[Bicakcic] Expert groups have offered three ways to solve this problem and, in the coming period, there will probably be important talks in order for final agreements to be reached.

[Kurtovic] Yet, the federation stumbles on some important levels. A few days ago, the Croats did not attend the constituent assembly of Zenica-Doboj Canton.

[Bicakcic] The Croats came, but the representatives of the HDZ did not, although they were invited regularly and in time. Yet, the canton was formed according to all the decisions of the arbiter, and I believe that we can proceed further. The places that Croats should fill are waiting for them, and nobody will usurp their positions. We have always gone one step further than the Croat side in the implementation of the federation, so that in this case, after a long period of postponement, we decided to take this step.

[Kurtovic] In the last few days, the integrity of Sarajevo has again become a burning issue. How do you see Sarajevo in the future, bearing in mind your recent statement that "Trebevic is definitely ours; as for Jahorina, we will see."

[Bicakcic] Many statements are taken out of context, so I wish to explain that statement of mine. In the maps of territorial demarcations, our government will give priority to the issue of the integrity of Sarajevo—10 municipalities, perhaps the municipality of Pale as well. My statement can be seen in that context. We will do all we can for these territories to belong to the federation, because the continuity of Bosnia-Herzegovina can be realized only in that way. A divided Sarajevo implies a divided Bosnia-Herzegovina. That is clear to the Serb side too, and that is why they are so persistent in fighting for territory and positions in Sarajevo.

[Kurtovic] Both Chirac and Major expressed their commitment to an undivided Sarajevo. Do you consider these to be only declarative statements or truly serious decisions?

[Bicakcic] We need and welcome international help. But we have to rely on our own potentials and our own strength in the first place. I expect the lifting of the Sarajevo blockade to be carried out through a military action, which will be coordinated with all sorts of diplomatic activities.

LBO Supports Peace Initiative Despite 'Flaws'

AU0210161395 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1400 GMT 2 Oct 95

[Report by Samir Huseinovic on an LBO news conference in Sarajevo on 2 October]

[FBIS Translated Text] The obvious advantage of the peace initiative is in the halting of the war, since the international community has finally taken the correct approach to the solution of the Bosnia-Herzegovina crisis.

The United States has realized that the answer to the question of war and peace does not lie in Bosnia-Herzegovina and that the answers to most of the questions should be sought in Belgrade and Zagreb. A continuation of the war, according to Salih Foco, Liberal Bosniak Organization [LBO] deputy chairman, would be fatal for Slobodan Milosevic, since he can no longer hide behind the criminal Karadzic. Considering the course of the peace initiative, one can conclude that Milosevic is the one who holds the key in his hands and that the position of the criminals in the peace negotiations is irrelevant. Karadzic and Mladic are politically and militarily dead, and no longer represent a factor of any importance to the peace process. On the other hand, the position of Alija Izetbegovic and the legal Bosnia-Herzegovina authorities has been significantly strengthened and, thanks to that, a peace solution is possible that would enable the reintegration of Bosnia.

Following a detailed analysis by the LBO, Salih Foco stresses, certain flaws have been found in the peace solution. This is particularly evident in the establishment of ethnic parity in the bodies of authority, a strong ethnic concept in the coalition, and the increased possibility of the involvement by the regimes in Belgrade and Zagreb in the affairs of Bosnia-Herzegovina. Under such conditions the forces for reintegration of our country will be stifled.

The advantages of the peace solution, on the other hand, are far more significant. The end of the war, the process of demobilization, and the turning of people to normal things in life speak enough in favor of that. If we add to

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this the possibility being offered to the people to correct the mistake from 1990 in the free elections, then, Salih Foco said, the LBO supports the U.S. peace initiative wholeheartedly.

Senator Dole Wishes Kljuic's Republicans Success

AU0210153495 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1400 GMT 2 Oct 95

[FBIS Translated Text] Bob Dole, leader of the Republican majority in the U.S. Senate, has sent a personal message to Stjepan Kljuic, leader of the Bosnia-Herzegovina Republicans.

Expressing his optimism concerning the end of the war, Dole also hints at significant support for the Bosnian Republicans.

My sincere hope is that the war against Bosnia will soon end. My thoughts and prayers are with you and your colleagues in this trying time. I am aware of your efforts to build a Republican Party in Bosnia and I wish you all the success in your work, says Dole's message to Stjepan Kljuic.

Karadzic: U.S. Can Urge Muslims To Negotiate

LD0210155595 Pale Srpski Radio-Televizija Studio Sarajevo Radio in Serbo-Croatian 1500 GMT 2 Oct 95

[FBIS Translated Text] President of the Serb Republic Radovan Karadzic's has said that the current moment is of critical importance for the peace process because the Muslims are subverting the peace initiatives. President Karadzic says that the key to peace is now in Washington's hands. We believe the Americans are capable of resolving this problem, he said. If the Americans manage to bring the Muslims to the negotiating table—I believe the Americans are capable of doing so—then a peace conference may mark the end of the war, the president of the Serb Republic said.

Koljevic Denies Territorial Arrangements Made

AU0210205795 Banja Luka Srpski Radio Network in Serbo-Croatian 1500 GMT 2 Oct 95

[Interview with Nikola Koljevic, Bosnian Serb "deputy prime minister," by Bogdan Ristic on 2 October; place not given—recorded]

[FBIS Translated Text] [Ristic] Emphasizing that the Geneva and New York principles are not two but one integral document recognizing the Serb Republic [Serb entity in Bosnia-Herzegovina] and determining the principles of the relations between the two state entities created at the territory of the former Bosnia-Herzegovina, Dr. Nikola Koljevic, deputy president of the Serb Republic, pointed out that there had been no talk about demarcation and that any mention of maps and borders is a result of enemy propaganda and an attempt to stir up unrest among the Serbs.

[Koljevic] Maps are being foisted off on us and it is obvious that the propaganda, especially following the Croat-Muslim offensive, was carefully prepared to undermine the morale of the Serb side and put primarily the soldiers in a situation in which they could not fight and were less motivated, as they were fighting for what had been arranged in advance. However, it was not arranged in advance. Not only were maps not discussed at these meetings, but there is evidence on the ground, direct evidence for all our people who want it, and our people are able to think logically, that nothing had been arranged about the maps, since why would both the Muslims and Croats conquer something, if it had been assigned to them? Why would they fight for it and why would we oppose them if something had been arranged in advance or if someone from our side had arranged it?

[Ristic] Taking into account that certain things are state secrets, I think that perhaps we should say, to the extent that it is known at this moment, at what stage maps could appear, what the basis will be of what they propose, and who is expected to be the one to propose future demarcation in the former Bosnia-Herzegovina.

[Koljevic] What is completely different about the basic method is that all the previous conferences are taken as the starting point, that the starting point is also the economic viability of these two entities—that is, the Serb Republic and the Muslim-Croat Federation—which means that the starting point is something that can be broken down into reasonable factors. Viability involves infrastructure, communications, natural resources, and compactness of territory, all of which are principles that must be observed during the demarcation process.

[Ristic] According to the deputy president of the republic, Dr. Koljevic, peace is at hand, and everything indicates that we could enter winter not only with cessation of hostilities and the end of war, but with complete peace. However, he added that this is not and must not be a reason to relax, since this is what the enemies of the Serbs are eagerly expecting. Until peace is firmly guaranteed and secured, the Serb army must do its job, and the diplomacy of the Serb Republic must do its share of the work.

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Koljevic Comments on Greatest Obstacles to Peace

AU0210205595 Banja Luka Srpski Radio Network in Serbo-Croatian 1800 GMT 2 Oct 95

[FBIS Translated Text] Speaking for Srpski Radio today, Dr. Nikola Koljevic, deputy president of the Serb Republic [Serb-held entity in Bosnia-Herzegovina], said that peace may come to Bosnia-Herzegovina by wintertime. At the moment, the greatest obstacles to this are the Muslim [Bosnia-Herzegovina Government] boycott of the peace process and the new armed conflicts between the Croats and Muslims. Bogdan Ristic reports:

The greatest obstacle to the peace process is the inconsistency of the Muslim diplomacy. Not realizing that the world is turning over a new leaf on the political scene and thus turning its back on the Muslims, the followers of Alija Izetbegovic are facing a threat of falsely rooted self-praise. Politically exhausted, they are facing military defeat, since without the NATO bombers, they are a subsidiary military factor and the renewed conflicts with the Croats will probably escalate into war soon. Defining the Muslims as the greatest obstacle to the peace process, Dr. Nikola Koljevic said the following:

[Koljevic] What the Muslims disputed in the New York document was that the number of the presidency members be determined, that the number of the members of the joint assembly that is to be founded be determined, and they insisted that in Article 6.5 it be stated that the conflicting sides will continue to negotiate on the immediate future of the above-mentioned joint institutions.

With all these things, they are trying to slow down the peace process and gain time. There are indications that the Muslim side is simply boycotting the peace process, but not knowing how since it cannot directly say it to a great power such as the United States, and especially not to the five, since Europe is involved in this, as well as Russia. They are trying to make up various obstacles, which shows that they in fact do not have a strategy for peace but rather a strategy for war.

[Ristic] Deputy president Koljevic also commented on the armed conflicts between the Muslims and Croats that are threatening to escalate into another great war and the main obstacle to the peace process.

[Koljevic] It is obvious that the international community is not too worried about the Serb position and that they believe that we are prepared for peace, but they are very worried about the relations between the Muslims and Croats.

I would like to point out two things here: One is that the way that the Muslim-Croat Federation was created is unnatural, to say the least. The other thing that is important for us in these Muslim-Croat quibbles, in which they are evidently trying to cheat each other, is the following: the difference between the first Geneva document and this second one—even though they make up one document—is that the second document insists more on the principle of three peoples rather than on the principle of two entities when it comes to the presidency and the delegations.

[Ristic] As a great step in the peace process, the authorities of the Serb Republic have proposed that the media war end. The Muslim and Croat side will be informed of this in an appropriate way. To contribute to this, we will not anticipate their response. What we will do is, on behalf of all who have suffered and who are mourning, wish that anything to do with war stop.

Mladic Concludes Talks With Russian Army Chief

LD0210161695 Pale Srpski Radio-Televizija Studio Sarajevo Radio in Serbo-Croatian 1500 GMT 2 Oct 95

[FBIS Translated Excerpt] A Russian Defense Ministry delegation headed by Colonel General Vladimir Zhurbenko, the deputy chief of the General Staff of the Armed Forces, today ended a three-day visit to the Bosnian Serb Republic, the General Staff of the Serb Republic Army has reported. [passage omitted]

Following their visit, we have recorded the following statements made by Generals Zhurbenko and Mladic [Bosnian Serb army commander].

[Zhurbenko, in Russian fading to Serbo-Croatian report] Now we will go to Belgrade. We will prepare a report for the Russian military and political leadership about what we have seen in the long-suffering former Yugoslavia. Our report...[pauses] To prepare a report about the people who have been at war for over four years.

[Begin Mladic recording] We have had very fruitful and useful talks. I hope that the general and his aides have gained a realistic picture about the horror of war and about the horror of all kinds of weapons from all corners of this planet that have fallen on our [word indistinct].

Not just Tomahawk, but state of the art NATO planes and lethal weapons have been used against us. Only nuclear, submarine, and antisubmarine weapons have not been used by NATO and its allies from Islamic countries.

I believe that the general has realized that, despite the might of our enemy and his allies, the spirit of our nation has stayed intact and that we are determined, as our ancestors were determined, to defend—and I am certain

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that we will succeed in defending our ancestral homes. We will defend successfully the Serb Republic and as long as we live, it and the Serbdom and the Orthodox faith will exist in this region. [end recording]

Federation Leader Zubak Views Peace Agreements

AU0310091095 Sarajevo VECERNJE NOVINE in Serbo-Croatian 29 Sep 95 p 5

[Interview with Kresimir Zubak, president of the Federation of Bosnia-Herzegovina, by Mirjana Micevska; place and date not given: "Compromise Was Necessary"]

[FBIS Translated Text] [Micevska] There is a lot of public discussion about the latest New York Agreement. What does the leader of the Federation of Bosnia-Herzegovina, Kresimir Zubak, think about it?

[Zubak] This latest agreed solution for the organization of Bosnia-Herzegovina within its internationally recognized borders, with the existence of two entities—the Federation and the Serb Republic—is what we, the politicians from the ranks of the Croatian people, had wanted. We, the representatives of the Croatian and the Bosniak Muslim people, have accepted this solution, although I personally think that there are many better solutions. However, we have come to a situation where the realization has finally hit home that compromise is necessary, that peace has to be established, and that the political peace process on the Bosnia-Herzegovina territory has to be renewed on the basis of what everyone accepts.

Reduced Authority

[Micevska] What exactly was agreed in Geneva, and later in New York?

[Zubak] In Geneva, the basic principles of the constitutional arrangement, the political and legal foundations of Bosnia-Herzegovina were determined, while in New York, the constitutional solutions were only partially worked out. Now there is talk about some institutions such as the presidency, parliament, and there is talk about a cabinet, not government, but the presidency's cabinet, which would probably carry out some executive functions. Foreign policy is within the competence of these central institutions. However, the papers I had in front of me before New York spoke of the monetary and customs policies being within the authority of the presidency. I do not know how things went in New York, but I see that the authority of the presidency has been reduced only to foreign policy.

[Micevska] In your opinion, how will the presidency be organized and how will it function?

[Zubak] Two thirds will be delegated by the Federation and one third by the Serb Republic. Since the Federation consists of two nations, the representatives of the three nations will be represented in the presidency, and a corresponding number in the parliament. I think that all the key decisions will be made by consensus. None of this is very important if only foreign policy is within the authority of the central institutions.

[Micevska] How, in your view, will the entities within Bosnia-Herzegovina link up?

[Zubak] It is hard to say now what the relations will be like between the Federation and this other entity, and when I do speak about them, I refer primarily to political and legal relations since I do not know what they will look like in practice. This is all speculation because no one can say with 100-percent certainty that the process will develop in this direction or that. As much as there is reason to claim that this will lead to dissolution, there is even more reason to say that this is just an initial phase toward the reintegration of Bosnia-Herzegovina on completely different principles and grounds.

Who Represents the Serbs

[Micevska] In which direction this process will develop also depends on the international community.

[Zubak] I have been listening to Mr. Izetbegovic, but also to other officials saying that maximum support will be given to the Federation so as to revitalize it as soon as possible, which should logically draw closer the second part, the Serb Republic. This could be one of the important elements, but it is also very important who will represent the Serb people in Bosnia-Herzegovina, which political structures. I think that the present ones in Serbia and Bosnia-Herzegovina can lead to a solution. Whether it will result in that I cannot say, but I know that they will work toward that end.

[Micevska] What about the return of the refugees? Will that process develop in accordance with the agreements reached so far?

[Zubak] Let me recall the Zagreb Agreement, to calm the tensions down a bit, which says that the return of the refugees will be organized in accordance with the Washington and Geneva Agreements, and regardless of whom liberated the territory. Therefore if it is territory within the federation, then its regulations will be observed. If the territory should by some agreement again belong to the Serb Republic, which I doubt, then we have to respect the Geneva Agreement.

We are interested, I mean the Croats, in all the displaced people returning home to Jajce, Bugojno, Travnik, and so on. The political attitude is—and I have told this to

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both Messers Izetbegovic and Bicakcic—that there will be no problems with the return of the refugees.

Croatian Defense Council Lies Low but...

[Zubak] In line with the peace suggestions, the units of the Croatian Defense Council have turned from offensive to defensive operations. Whether this will remain the case depends on the situation on the ground, and on how hard Karadzic and Mladic try to recapture the lost territory.

Refugees and Jajce

[Micevska] What about the return of refugees to Jajce?

[Zubak] I have said that there can be no return there because it is a war zone, there are a number of units deployed there, and an unorganized mass return could affect the defense of the area.

Commentary Sees Peace Plan as Actual Partition

AU0310094095 Zagreb VJESNIK in Serbo-Croatian 28 Sep 95 p 5

[Commentary by Zoran Vodopija: "Many Promises, Few Guarantees"]

[FBIS Translated Text] At the round table of the U.S. Mission to the United Nations in New York, three diplomats have managed to construct a loose frame for the future configuration of Bosnia-Herzegovina. The foreign ministers of Croatia, Bosnia-Herzegovina and the FRY, namely Granic, Sacirbegovic and Milutinovic respectively, under the close watch of U.S. Secretary of State Christopher, chief negotiator Holbrooke, and representatives of the Contact Group, have accepted basic principles for the settlement of the crisis in Bosnia-Herzegovina, which in simple language means all of them have agreed that Bosnia-Herzegovina should survive as an integral state with two almost entirely separated parts, connected by thin threads which will be negotiated for quite a while.

The accepted scenario for rescuing Bosnia-Herzegovina as an integral whole (no matter how loose the internal ties may be) looks like this: First, both sides (the Croatian-Bosniak and the Serbian) must express their resolve to guarantee in the territory they respectively control the freedom of movement, speech, and media, then to either make it possible for refugees to return to their homes, or to make them just amends, and generally to make possible the development of democracy by observing international principles on human rights. Whether and how they observe them will be monitored by the representatives of the OSCE or some other international organization. They will be making monthly reports on how both sides in the process of demarcation observe the basic principles agreed upon in New York and Geneva, and how they encourage democratic development, return of refugees, and other matters.

When the delegation of OSCE (or similar organization) concludes that in both parts of divided Bosnia-Herzegovina conditions are ripe for holding free elections, it will wait for 30 days before announcing the beginning of the elections. In the elections each side will separately designate deputies in the new joint parliament. Then, according to the same principle (two-thirds for the Bosniak-Croatian entity and one third for the Serbian entity), the Presidency will be formed, then the government, the constitutional court, and simultaneously with that rather difficult process negotiations will continue about everything that has not previously been agreed upon, which is actually everything, beginning with the unresolved question of territorial demarcation (well-known maps). Let us not forget about one insignificant bit, which is, in addition to all that, a cease-fire is supposed to be agreed upon.

No wonder the frame for peace in Bosnia-Herzegovina (and probably including the rest of former Yugoslavia), having been so toilsomely negotiated, has come out as a compromise making possible a flexible interpretation, which everybody will want to formulate to favor his own side. Serbia is extremely satisfied, because, in addition to the factually recognized Serbian republic, it has performed a great comeback on the international stage. Thus Karadzic says that the New York agreement is an important step toward peace, and all those who want to prolong the war will hardly be able to annul the results of the New York conference—simply a beautiful and therefore unconvincing twist in the attitude of the top-placed suspect on the list of Bosnian war criminals.

Bosnian Foreign Minister Sacirbegovic is not so optimistic when he says that there are reasons for optimism, but the moment of truth will come when they come to the key question. Croatian Foreign Minister Granic is completely down to earth when he says that a certain progress can be felt, but it is still far from the final settlement, as the talks on cease-fire, maps, and the Constitution of Bosnia-Herzegovina still lie ahead. Another reason for certain optimism expressed by down-to-earth skeptics such as the Croatian foreign minister is the U.S. guarantee that the question of reintegration of eastern Slavonia, Baranja, and western Srem must go in the same package of agreements on Bosnia, together with the question of mutual recognition of all those states in the region.

It is completely clear that Serbia will resist with all its force discussing the problem of the remaining occupied Croatian territories in the same package. The Serbs

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would prefer a bilateral approach. Croatia's strongest card to play is what Minister Granic called the strategic partnership between the United States and Croatia. Nevertheless, one has to keep in mind that Washington is not willing to play that ultimate card if it might cause a conflict with Moscow, which would openly side with Belgrade, so somewhere in the middle of Bosnia a new Berlin wall would be erected, or the spirit of Yalta would be revived.

In view of all the subtleties of the fragile compromise conceived in Geneva and initialed in New York, one gets a clear idea of many obstacles that still lie on the path toward peace in Bosnia-Herzegovina, toward the constitution of at least some kind of Bosnian state and securing of the Croatian and Bosnian borders. It is not hard to predict that the path toward peace will be simultaneously built on the military and negotiating plane. This is confirmed by the recent Serbian attacks on Croatia across the River Sava, which contradicts Serbian peaceful cooing in New York, Belgrade, or Banja Luka. Zagreb and Sarajevo must take care that the laboriously built unity does not evaporate when it comes to apportioning the recently freed Bosnian territories.

In New York some papers were signed that promise a lot, and guarantee little. In view of all the past experiences, it is only the credulous and incautious who dare forecast what the final settlement will be. The only thing that is clear is that Croatia will make ultimate efforts and insist that the question of reintegration of the still occupied territories should not be exempted from the Bosnian package. For it to succeed in that, it will have to constantly prove that it is strong enough to reintegrate it by its own force, and in a reasonable interval of time.

British Sources on Zagreb Plan To Annex Bihac

AU0210214695 Novi Sad DNEVNIK in Serbo-Croatian 2 Oct 95 p 2

[Article by S. Risovic: "'Republic of Western Bosnia' Again"]

[FBIS Translated Text] Banja Luka, 1 Oct—These days, the Croatian leadership with Franjo Tudjman is planning to stab yet again their "ally" Alija Izetbegovic in the back. As has been learned from well-informed British sources, Zagreb is rapidly preparing to establish an autonomous region under the name of "the Republic of Western Bosnia," which would include the entire Muslim part of the Bihac region and annex it to the Republic of Croatia. Fikret Abdic—who else—would be the leader of this new-old creation.

Velika Kladusa "Daddy" is in Zagreb receiving special treatment from the Croatian authorities. He has accepted the offered post of president of "the Republic of Western Bosnia" without much hesitation. The Croatian leadership has offered him assistance to achieve this goal, particularly special forces to fight Izetbegovic's Islamic fundamentalists. The Croatian special forces have already taken control of certain facilities. At the same time, they have established links with the great number of Fikret Abdic's followers in the Bihac region.

The said source claims that General Atif Dudakovic, commander of Izetbegovic's 5th Corps, is not opposed to the autonomy either. His family is in Zagreb and the Croatian authorities have recently given him a luxurious villa.

UN Refutes Claim Over Sarajevo Market Massacre

AU0110162895 Paris AFP in English 1610 GMT 1 Oct 95

[FBIS Transcribed Text] Sarajevo, Oct 1 (AFP)—UN officials dismissed on Sunday [1 October] a British newspaper report that Bosnian Serbs were not responsible for a mortar bomb massacre which triggered a two week NATO bombing campaign against the Serbs earlier this month.

"We stick by our investigation. This was a very thorough investigation and in our opinion the mortar came from (the Bosnian Serbs)," Alexandre Ivanko, UN spokesman said.

The SUNDAY TIMES citing "British ammunition experts serving with the United Nations in Sarajevo" suggested that the lethal mortar which killed 41 people and injured scores of others "might have been" fired by government forces.

According to the paper, the British experts' view was shared by French members of a UN team that carried out crater analysis of the 120mm mortar blast on 28 August but was over-ruled by an American officer in the United Nations Protection Force (UNPROFOR) headquarters in the city.

UN officials however, pointed to several inaccuracies in the story which confused the site of the blast with a similar incident in 1994 and mixed up the order of events, besides other glaring errors.

On the day, three teams of UN investigators examined craters from five mortar bombs fired into the city by the Bosnian Serbs, no different from thousands of other similar attacks over 41 months of siege.

A UN official speaking on condition of anonymity said that an initial look at the craters by one of the teams suggested that one of the mortars could have been fired from a position different from the other four which

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all three teams concluded originated from the Bosnian Serbs.

It is this fifth mortar which the newspaper suggests caused the bloodshed and might not have been fired by the Bosnian Serbs.

However, the UN official said the follow up investigations of the scene of the blast discovered more parts of the mortar which firmly pinned the blame for the massacre on the Bosnian Serbs and led to NATO airstrikes 48 hours later.

French, British, Spanish experts and an American officer were among those investigating the mortar craters the official said. However, the UN official would not comment on discussions between the teams as they drew their conclusions.

"After reading all the information in the reports, the decision was made by General (Rupert) Smith (commander of UN forces in Bosnia) and his close staff and submitted to the UN Security Council. That decision was that the mortar which caused the deaths was beyond reasonable doubt fired from a Bosnian Serb position," the official said.

UN Says Moscow Blocking Opening of Gas Pipeline

AU2909155995 Paris AFP in English 1451 GMT 29 Sep 95

[FBIS Transcribed Text] Sarajevo, Sept 29 (AFP)—Attempts to restore [natural] gas supplies to war torn Sarajevo are being held up by Moscow, which is blocking a request to reopen a gas pipeline running through neighbouring Serbia, a UN official said Friday [29 September].

Russia provides gas for the city along a pipeline which crosses both Serbia and Serb-held parts of Bosnia but has not been paid for the entirety of the war. The outstanding bill currently stands at $100 million, said John Fawcett, a UN expert in the city.

Re-opening the supply requires Russian approval since gas destined for the city also supplies customers in sanctions-bound Serbia. A special waiver, requested by the Bosnian Government, is needed from the UN sanctions committee to allow gas to flow to Sarajevo as well as to Serbia.

"The Russian federation is holding it up. They have not formally objected but they have requested that (the ruling) be delayed," Fawcett said.

Gas, along with water and electricity supplies to the capital, have been intermittent for much of the conflict, though for the first time last winter regular supplies did reach the capital's freezing inhabitants.

The gas was switched off again earlier this year but with winter fast approaching the Bosnian authorities and those on the Serb side of the city want to restore the supply.

A dispute exists however, Fawcett said, over how much of the debt the Bosnian Government, Serbia and the Bosnian Serbs should each pay. Serbia had used the bulk of the gas, Fawcett said.

The matter is further complicated by the linking by the Bosnian Government of the restoration of gas and other utitilies to the city with a ceasefire for Sarajevo and perhaps the whole country.

"I don't like the linking of ceasefires to utitilies, especially when you see that having them defuses the whole tension in the city," Fawcett said.

Plan To Open Corridor 'Will Be Prevented'

LD2909195095 Belgrade SRNA in Serbo-Croatian 1925 GMT 29 Sep 95

[FBIS Translated Excerpt] Sarajevo, 29 Sep (SRNA)—The war presidency of the Serb municipality of Ilidza announced today that the Muslim plan to try to open the Sarajevo-Kiseljak corridor via the territory of Ilidza for civilian traffic is "a unilateral act."

This unilateral act planned by the Muslims and some parts of UNPROFOR [UN Protection Force] is calculated to take advantage of the American negotiators' visit to gain the upper hand on the Sarajevo battlefield by using military and political tricks, says a statement by the Ilidza war presidency, forwarded to SRNA. [passage omitted]

"Any attempt forcibly to open the corridor via Ilidza will be prevented by all means, included military," the Ilidza war presidency statement stresses.

Velayati Views Islamic Conference on Bosnia

AU0310105195 Sarajevo LJILJAN in Serbo-Croatian 27 Sep 95 p 5

[Interview with Iranian Foreign Minister Ali Akhbar Velayati by an unidentified correspondent in Kuala Lumpur; date not given: "The Muslim 'No!' to Embargo Saved Bosnia"]

[FBIS Translated Text] On the eve of the closing day of the Special Conference on Bosnia held in the Malaysian capital of Kuala Lumpur from 11 to 15 September we met with Minister Velayati. Interested in Bosnia as if he were a real Bosnian patriot, he gladly received LJILJAN's team of journalists. We noticed that he was well informed about our newspaper. We told him jokingly that in December 1992 we had declared

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him our, that is LJILJAN's, foreign minister, which made him smile in approval. Whoever comes across this elegant diplomat will recognize that he advocates a new school of world politics, which can proudly be called "Muslim high diplomacy," which leaves nobody indifferent.

[LJILJAN] Mr. Minister, we met at the meeting of the Organization of Islamic Conference [OIC]. From December 1992, when we met for the first time and when you gave an interview to our newspaper, until now, much has changed. You, just like us, are witnessing those changes, not only in Bosnia, but also in the course of the Special Conference on Bosnia. Of course, the greatest change has been brought about by the NATO air strikes in Bosnia-Herzegovina, which obviously are influencing the situation more quickly than anything else. How do you comment on those air strikes?

[Velayati] Bismillahirrahmanirrahim....[as published]. First of all I want to say that the lesson NATO gave to the Serbs was quite effective, and much more effective than in previous cases. I think that after that the Serbs will withdraw all their heavy weapons from the exclusion zone.

[LJILJAN] How do you comment on Serbian "safety" from and indolence toward the air strikes until now?

[Velayati] You should keep in mind that NATO and its member states were not serious in its raids and threats until now, so that the Serbs did not have any reason to be afraid. Second, the fact is that the so-called superpowers have sought their own interest in the aggression on Bosnia-Herzegovina, which has played and is still playing a very important role. The presence of many West European countries in Bosnia has as its goal only the protection of their own interests, although at first sight it could appear that they are there to resolve the Bosnian crisis. The Serbs knew all that, and hence their indolent behavior.

[LJILJAN] Is this intensification of Western efforts to resolve the Bosnian crisis a result of the fact that the world is fed up with the war in Bosnia? Is it about political maneuvers with regard to the upcoming elections in the United States, so that the greatest wound of the world, Bosnia, must not be left unhealed to come up in the preelection game? Or, could we say that rightist Chirac, having taken up the presidency of France, wants to show to the world the new course taken by Paris precisely on the example of Bosnia? Or, is there a third possibility?

[Velayati] I think that all those elements are to be taken into account, but I believe that it is particularly relevant that President Chirac has called a meeting of the two Contact Groups on the basis of the OIC meeting held in July in Geneva. Then, in Geneva, we decided to ignore the UN-imposed arms embargo against Bosnia-Herzegovina. We did that unanimously, which made a great impact on the great powers. It is one of the decisive moments in the history of Bosnia-Herzegovina, because one group of countries decided for the first time to ignore the arms embargo against Bosnia-Herzegovina. The OIC's Contact Group for Bosnia-Herzegovina considers this embargo illegal, because it was imposed on former Yugoslavia in the first place, rather than on Bosnia-Herzegovina.

[LJILJAN] Iran is one of the most consistent friends of Bosnia and the Bosniak people. This has reflected itself at the diplomatic level as well. What you personally said on several occasions in the United Nations and the Security Council, nobody said either before or after you. Has such a principled attitude of Iran caused certain pressures put on you at the recent time?

[Velayati] Although such an attitude of Iran toward Bosnia-Herzegovina has not remained without consequences, we stick to our decision that the Bosniaks, who are on the frontline of the Islamic world, must be helped. We, as Muslims, cannot be indifferent toward the events in Bosnia-Herzegovina that happened in the past three years. Bosniaks need help, and it is up to us to do whatever we can. In the beginning we acted alone, without consultation with other Islamic countries, while now, as you can see, we are making joint efforts.

[Velayati] This has created a situation in which the West has not been able to deal with the Bosnian problem alone. On the contrary, they have realized that they have to cooperate with us to contribute to a more favorable settlement of the Bosnian crisis. Given such a policy, the Muslim countries have shown that they are playing the game in a wise and strategic manner. This became clear at the meeting in Paris, where the Muslim countries were called upon to jointly consider the Bosnian problem. Because of all that, the goal of our meeting in Kuala Lumpur is to continue with strengthening of the Bosnian position, and not only on the international, but also on the military level.

In that context, the decisions made at the conference will be one of decisive moments in the settlement of the Bosnian crisis. At the same time, you ought not forget that the Bosnian war and Bosnian issue is the factor that does and will strengthen relations within the Islamic world even more.

Finally, I can tell you that as far as Iran itself is concerned, we shall continue to support Bosnia and the Bosniak people in all fields. In a talk with your foreign

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minister, Mr. Sacirbegovic, we have already agreed on aid for the reconstruction of your country.

[LJILJAN] Do you share our opinion that this conference is fateful for the settlement of the Bosnian problem?

[Velayati] Yes, I do. The decisions made at the conference, as well as the decisions made in Geneva at the first OIC conference, are new decisions. They will strengthen the relations between Bosnia-Herzegovina and other Muslim countries in the first place. Today it is clear to everybody that the Muslim countries want to help Bosnia-Herzegovina and that they are conducting all their major activities in that direction. Before these two meetings have taken place—the meeting of the OIC's Contact Group for Bosnia- Herzegovina in Geneva and this Special Conference in Kuala Lumpur—there were cases that certain Muslim countries were openly afraid of the Western power, and out of that fear they did nothing at any level—either the political, or the diplomatic, or the military one. However, after the delegates of Muslim countries sat around one table, that fear has disappeared. That is also one of the results of the conference in Kuala Lumpur. Today it is obvious that the number of Muslim countries helping Bosnia-Herzegovina is considerably greater. That is so because the political position of Muslim countries has been considerably strengthened. Precisely such political awareness has made Muslim countries understand the need for more active participation in aiding Bosnia-Herzegovina.

[LJILJAN] Iran has recently purchased from the Russian Federation nuclear reactors. Do you believe that your purchase may contribute to the strengthening of your positions in general, that is, is it a way in which other Muslim countries should think?

[Velayati] The use of nuclear energy and the readiness of Iran to exploit it does not mean that we want to use it for military purposes. Concretely, in Iran nuclear energy will be used for improvement of our country's system of energy production. As is known to you, Iran is a signatory of international nonproliferation treaties. If we have taken on the commitment, we shall abide by it.

[LJILJAN] Yet, only the countries which have nuclear weapons are members of the UN Security Council, and thus, to put it symbolically, are entitled to veto decisions on major world issues. A logic question arises: Why would not a billion and more Muslims claim a right to veto by possessing nuclear arms? The world recognizes and respects only powerful countries.

[Velayati] That is a new interpretation of the current international situation. The majority of the countries that have a right to veto are countries that won in the World War II, with the exception of China.

Army Official Views Balance of Power, Gorazde

AU2909151295 Split NEDJELJNA DALMACIJA in Serbo-Croatian 29 Sep 95 pp 2-3

[Interview with Colonel Ferid Buljubasic, Bosnia-Herzegovina Army General Staff spokesman, by Zeljko Garmaz; place and date not given: "If the Serbs Shell Sarajevo, We Will Shell Banja Luka"]

[FBIS Translated Excerpt] Colonel Ferid Buljubasic, the head of the staff of Army General Rasim Delic, is the official spokesman of the Army of Bosnia-Herzegovina. Regarding his service in the former Yugoslav People's Army, where Buljubasic became an officer, it must be mentioned that he was the mentor of Tihomir Blaskic, the present commander of the HVO [Croatian Defense Council] General Staff. Col. Buljubasic is certainly one of the most competent Army of Bosnia-Herzegovina leaders owing to his access to the enormous information flow. [passage omitted]

Chetniks Shaken

[Garmaz] How do you see the present balance of power in Bosnia-Herzegovina in the light of recent developments?

[Buljubasic] The most important thing is that the Army of Bosnia-Herzegovina and HVO units now control around 50 percent or somewhat more than 50 percent of the territory of Bosnia-Herzegovina. For the first time since the beginning of the war, we control an equal share of the territory, or even slightly more. Apart from that, over 60 percent of the population of Bosnia-Herzegovina used to live on the territory controlled by the Army of Bosnia-Herzegovina and the HVO. The present situation has also enabled us to eliminate some operational and tactical traps the chetniks could have set.

In other words, the military situation is far more favorable than was the case in the past and the chetniks have been considerably shaken, but they still have the power to try to achieve something, especially in the areas of Jajce or Kljuc, or on the territory toward the Kupa River, where facilities of vital importance for Banja Luka are situated. The chetnik's trump cards are Sarajevo and Gorazde, but the Federation forces now have some strong trumps too.

[Garmaz] Such as?

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[Buljubasic] The Una River corridor, the access to Banja Luka, and the possibility of retaliation with artillery weapons if the Serbs shell Sarajevo.

The issue of war or peace in Bosnia-Herzegovina is still open, and everything is possible. Gen. Delic stated several days ago that new maps would be drawn, but I personally think that the final maps have not been drawn yet.

The military successes are leading toward the defeat of the chetniks, to the defeat of the cause of this war, and the defeat of the the reason for the stress that has lasted for four years now.

[Garmaz] How do you, as an officer of the Army of Bosnia-Herzegovina who spent 900 days in Gorazde, interpret the speculations about Gorazde? Has Gorazde been left to the Serbs?

[Buljubasic] Gorazde has not been given up, and all official statements made by Bosnian politicians have said that Gorazde will never be given up and that the condition for the cessation of hostilities and the signing of a final peace agreement is the lifting of the blockade of Sarajevo and a land link with Gorazde. In other words, this means that the minimum that must be fulfilled is a link between Gorazde and the free territory of the Federation. [passage omitted]

[Garmaz] Are you announcing that an action for the liberation of Gorazde might start soon?

[Buljubasic] If the peace negotiations on Sarajevo and Gorazde do not bear fruit, the Army of Bosnia-Herzegovina will be morally obliged to lift the blockade of Sarajevo and connect Gorazde with the free territory of the Federation of Bosnia-Herzegovina.

[Garmaz] One of the conditions for the connection of Gorazde with the free territory of the Federation was the liberation of Treskavica Plateau. Why did you stop the advances there? Was it becasuse of a large number of casualties the Army of Bosnia-Herzegovina suffered there?

[Buljubasic] The liberation of the Treskavica Plateau is practically the liberation of one of the key directions toward Sarajevo; We came closer to Trnovo, the Rogoj Pass, and Kalinovik. If we add all the losses the Army of Bosnia-Herzegovina suffered and compare them with the losses of the chetnik units, we cannot speak about big losses. At one time, we had bad luck on that territory, when one of our units was encircled by chetniks during a counteroffensive.... We got within 25 km of Gorazde as the crow flows, thus creating the conditions for a response if the chetniks attack Gorazde. The forces that are presently "frozen" in Gorazde have enough power for an advance from Gorazde toward Treskavica.

[Garmaz] What is the strength of the Army of Bosnia-Herzegovina in Gorazde itself?

[Buljubasic] We have a unit there comparable to a division, but its members are experienced soldiers who have fought in this war for 40 months already, so that it could represent a respectable force with somewhat better logistical support.

Gen Dudakovic Views Current Army Offensive

AU0210105995 Split SLOBODNA DALMACIJA in Serbo-Croatian 21 Sep 95 p 4

[Interview with Division General Atif Dudakovic, commander of the 5th Corps of the Bosnia-Herzegovina Army, by Danica Juricic; place and date not given: "We Will Liberate Banja Luka and Bijeljina"]

[FBIS Translated Text] Although the offensive of the 5th Corps of the Bosnia-Herzegovina Army is officially called "The Sana," the soldiers and people of the liberated territory of Bosnian Krajina call it "The Flash." Members of the 511th brigade say that the territory liberated at the beginning of the offensive is much smaller than western Slavonia, but its shape and position reminded them of a bulge embedded on the left bank of the Sava River. They say that Banja Luka will be the Bosnian "Operation Storm." Division General Atif Dudakovic, commander of the 5th Corps of the Bosnia-Herzegovina Army, says the following about "The Sana":

[Dudakovic] The 5th Corps was assigned the task of breaking through to the valley of the Japra River and the valley of the Sana River, and our units moved from Bihac towards Bosanski Petrovac and onward to Kljuc, and from Bosanska Krupa towards Sanski Most. In the first three days of combat activity our forces completed the first stage of their task. Bosanska Krupa, Bosanski Petrovac, and Kljuc were liberated. The second stage will require an additional effort on the part of the 5th Corps, but in practice it is under way. The aim is to break through to the Sana valley across the Sana River towards Banja Luka. The action is made more difficult by the geographic obstacles, as well as our potentials, despite the fact that we are prepared to withstand anything for the aim that has been set us. A very large territory lies ahead of the 5th Corps, and some say that we have already liberated over 3,000 square kilometers. Our units are deployed all the way from the initial liberation base, Cazinska Krajina, to the present front line; practically the entire 5th Corps is on the right bank of the Una River.

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[Juricic] Do you mind the comparisons between "The Sana" and the Croatian "Operation Flash"?

[Dudakovic] No—we also flashed and surprised many people with our quick, determined action, in which our infantry traversed a hundred kilometers within two days. Moreover, it is a known fact that the 5th Corps does not have heavy weapons, and that it does not have enough tanks. We captured large quantities of Serb weapons, but during "The Sana" we received the support of the Croatian Army, primarily artillery support, which was very welcome, and it helped our breakthrough. Unfortunately, during the action an uncontrolled contact between two units occurred, and there was an exchange of fire. At Ostrelj both sides thought the others were chetniks, and, due to insufficient coordination and insufficient familiarity with the ground, they shot at each other.

[Juricic] Croatian experts are just overhauling tanks. Will you make it to Banja Luka?

[Dudakovic] Banja Luka is a long way away, and the way to Prijedor is also quite long. However, the liberation of Banja Luka will change everything. The way to Bijelijna will be open. We want to connect the three B's: Bihac, Banja Luka, and Bijeljina. At the moment, our troops have encircled Sanski Most, and heavy fighting has been going on there for three days now. They can bring the whole of Serbia there, but the 5th Corps will enter Sanski Most! We will fight for the borders of Bosnia-Herzegovina until the end!

[Juricic] As far as you know, what military condition are Mladic's forces in?

[Dudakovic] They did not manage to defeat us in 1992 when they had everything, and how should they be able to do so now that their morale and military ability have been undermined, and when the balance of powers is completely different? In this operation the Serbs have lost over 1,000 soldiers and commanders, their units have disintegrated, and their command system has been disrupted. We have seized from them a great quantity of weapons, and their policy of conquest is failing. However, though they are in a difficult position, their potential is still quite good, which the captured military equipment can show. However, they will be militarily defeated, just as all the other policies with a stiff attitude towards other peoples have been. This territory has always been the territory of Bosnia-Herzegovina with its natural borders, and that is the way it is going to be in the future.

[Juricic] The comment of most of the foreign reporters on the latest 5th Corps breakthrough is that it is a successful result of political negotiations rather than military combat. What is your comment on that?

[Dudakovic] That indeed surprised me, since a large number of Bosnian soldiers have been killed in this operation. Heavy fighting is taking place at Cadjavica—a village on the Kljuc-Mrkonjic Grad road, 19 kilometers from Kljuc. We are to connect with the Croat Defense Council in that area, and I hope that it will happen soon and without too much calculation on either side if our aim is to fight together and to resolve the issue of chetnik policies once and for all on the territory west of the Drina River.

[Juricic] The issue of Bihac airport is often mentioned in the media. What is your opinion on that?

[Dudakovic] This issue is not in dispute at all; it was the Serbs who tried to make it a problem. This strategic facility's geographic position does not allow either side to use it independently, since the state border goes through the middle of the airport. Soldiers have no business there; it is a matter for the governments of the two states to deal with.

[Juricic] The refugees from Velika Kladusa and Abdic's soldiers, who are now in Croatia, in Kupljensko, claim that they do not want to return to Cazinska Krajina because of the presence of the 5th Corps. They fear retaliation and do not trust the guarantees you offered, is that right?

[Dudakovic] Croats, Serbs, and Muslims live in Bihac under the control of the 5th Corps. In Abdic's case the issue was not an inter-Muslim conflict, but prochetnik elements, people who wanted their own state. They did not believe we would make it in the struggle for the statehood of Bosnia-Herzegovina, and they fought on the side of the chetniks. If we were to enter a conflict now, they would probably fight on the side of the Croats. They would fight against us on anybody's side. As far as the refugees are concerned, they are no longer our problem; they are now in Croatia. We have told them to return if they want to; if they do not want to, that is their problem.

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Croat, Serb Delegations Begin Peace Talks

LD0310115395 Belgrade TANJUG Domestic Service in Serbo-Croatian 1109 GMT 3 Sep 95

[FBIS Translated Text] Erdut, 3 Oct (TANJUG)—Talks between delegations of the Council of the Srem and Baranja Region and the Croatian Government began at 1100 in Erdut.

The two sides are negotiating basic principles of a peace settlement for Srem and Baranja Region with the mediation of Thorvald Stoltenberg, cochairman of the conference on former Yugoslavia, and US Ambassador to Zagreb Peter Galbraith.

The Serb delegation is led by Milan Milanovic, RSK assistant defense minister; the Croatian delegation is led by Hrvoje Sarinic, Franjo Tudjman's chief of staff.

In addition to Milanovic the Serb delegation includes: Slavko Dokmanovic, chairman of the Council of the Srem and Baranja Region; former RSK president Goran Hadzic; Dusan Loncar, commander of the Serb Krajina Army 11th Corps; and Ilija Kojic, assistant minister of internal affairs.

The Croatian delegation includes Lt.Col.-Gen. Djuro Decak, the commander of the Croatian Army's operational zone Osijek; and Branimir Glavas and Matej Jankovic, Osijek and Vinkovci county prefects.

Possible Action in Eastern Slavonia Viewed

AU0310110495 Split SLOBODNA DALMACIJA in Serbo-Croatian 21 Sep 95 pp 8-9

[Article by Mario Galic: "Croatia Decides When and Where To Strike"]

[FBIS Translated Text] The military importance of Baranja and eastern Slavonia stems from the economic and political importance of this part of the Croatian territory, which is still under occupation. Its economic importance is reflected in the wealth of this part of Croatia, in very large areas of high-quality soil, and the oil wells at Djeletovci should also be taken into account. Such a combination provides the wealth that no country in the world would give up. Moreover, this area contains Croatia's only access to the Danube River, the very important river communication in central Europe. Without eastern Slavonia all the plans about connecting the Sava and the Danube by a channel to avoid Serbia do not make sense. Without Vukovar, Osijek is not an important river port. From an economic point of view, Croatia will never be integral without Baranja and eastern Slavonia.

This area is politically very important. This is where Vukovar, the greatest symbol of the Homeland War, is. With time, Vukovar has become a myth, and until it is liberated the Homeland War will not be over. All the above factors have had impact on the decision that eastern Slavonia and Baranja be liberated at all costs. However, it is these same factors that have impact on Belgrade, which has not shown any willingness whatsoever to return this area in a peaceful manner, but is instead openly threatening to defend it by all means. This is why the option of armed liberation is the most probable one.

Can the Croatian Army liberate the last parts of the occupied Croatian state territory through an operation like "The Storm"? To answer that question it is necessary to make a comparative analysis of the Croatian forces and the forces of the so-called Yugoslavia. It is precisely the fact that "Yugoslavia" is a part of the analysis that makes it additionally difficult. It is quite certain that the "Yugoslav Army" troops will become involved in the fighting in the area, but to what extent and how many is still unknown.

Accumulated Forces

They could be only the "volunteers," several thousand of them, or more than several thousand, but Belgrade could also openly send its ground, river, and air forces to fight. At any rate, the forces that are at the moment on both sides of the frontline there make up only one-tenth of those that will be involved in the operations of liberating the easternmost part of Croatia. At the moment, the Serb forces that are at the occupied Croatian territory are by no means sufficient if they want to keep it under occupation. This is why Belgrade has accumulated powerful forces around Sid and at the bank of the Danube. It would take these forces only a few hours to enter the occupied area and take positions. Moreover, a small part of the forces from Serbia has already been deployed in Baranja and eastern Slavonia.

What can Milosevic use if he decides to enter the battle for Baranja and eastern Slavonia with all his forces? Primarily the forces of the rebel Serbs there, which consist of not more than 15,000 people under arms, though they are constantly supplemented by the military conscripts who fled to Serbia from the "Krajina." These forces constitute the front defense line, and their purpose is to keep the Croatian Army troops in progress for as long as possible, until more powerful forces arrive from Serbia. The basis of these forces are the former 1st army of the "Yugoslav Army," now "the Northern Army," the center of which is in Belgrade. This "Army" consists of corps from Belgrade, Novi Sad, Valjevo, and Uzice. It comprises 48 percent of all the forces of the "Yugo-army," which means about 300,000 people (after general mobilization), 450 tanks, 350 armored combat vehicles,

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and up to 7,000 guns of all calibers. Considering these figures, the combat power of the Croatian Army is not too superior to theirs, at least on paper.

Advantage in the Air

The Croatian Army can mobilize up to 400,000 people, and in a very short period. The exact number of all the Croatian Army weapons is still a well-kept state secret. Judging by the information available, the Croatian Armed Forces have between 400 and 600 tanks, perhaps even more. The number of all the other armored vehicles is about the same as that. The greatest secret is perhaps the power of Croatian artillery, but it is certainly great enough to crush the Serb defense.

The ground forces of both armies are equally powerful, and neither has significant advantage over the other, at least as far as weapons are concerned. The quality of manpower is quite a different matter. Thanks to "Operation Storm," Croatia can now engage its best forces toward its east: seven professional brigades, the guards corps forces, as well as the very good special units of the Ministry of the Interior. All these elite Croatian forces can now be concentrated on this relatively small territory. On the other hand, Serbia still has the advantage in equipment, especially in the air. Croatian MiG-21 fighters are not as good as the Serb MiG-29. However, by using those, and the Air Force in general, Milosevic would clearly show his involvement in the fighting on the Croatian state territory, which could prompt primarily the United States to take more determined action. It would not be too surprising if, after that, several dozen tomahawks from U.S. warships in the Adriatic were to take off and fly toward the airports in northern Serbia and Vojvodina. After all, there has been much talk lately about the possibility of the Croatian Air Force acquiring its first contemporary fighter planes.

Croatia's advantage is that it is in the position to decide where and when to strike. This means that the initiative is completely ours, an advantage which should be taken to the maximum extent possible. The operation should be planned in such a way that all the weaknesses of the opponent be used to the maximum. Since Milosevic cannot yet accumulate large forces in the occupied territory of Croatia for purely political reasons, he is forced to keep them on the other side of the Danube River, from where he can transfer them to the west bank in case of a Croatian offensive. This is their greatest weakness. There are only three bridges on that part of the Danube: at Ilok, Erdut, and Batina. The bridge at Ilok is not of major military importance, since the Croatian-Serb ground border is only several kilometers further, and it is possible to transport all the forces on the roads there much faster and in a much safer way. Moreover, this bridge is at the very easternmost point of the occupied Croatian territory, too far from the frontlines. From the military point of view, the bridge at Erdut is much more important. From that bridge all the roads lead directly toward the frontline, and it is about at the middle of the occupied territory, ideally located for the supply of manpower and weapons. The bridge at Batina, which is the key point of the Serb defense of Baranja, is equally important. It is the only firm communication connecting this Croatian area with Vojvodina. Moreover, Serbs can place pontoon bridges across the Danube. Since the Danube River is at some points in that area over a kilometer wide, the process of putting up a pontoon bridge would last for hours. Due to the great importance of these bridges, particularly for Baranja, the Croatian Army should find a way to obstruct the traffic across them during the first minutes of the offensive, with which it would gain great advantage.

The Fast Way to the Danube River

The mere fact that Milosevic cannot yet deploy his forces as he should gives the Croatian Army a certain advantage. If the Croatian forces manage to crush the Serb defense within only a few hours and break through onto the Danube, no large number of troops from Serbia will have anywhere to be deployed. Accumulated in a small area, they will become counterproductive and an excellent target for the Croatian artillery, which is not at all impossible. The frontlines at Vinkovci are about 15 kilometers—as the crow flies—from the bank of the Danube at Vukovar. If the Croatian troops progress three kilometers an hour, in five hours they will be at the Danube bank. Osijek is about 20 kilometers from Dalj, and the progress in that area would have to be a little faster. This way, with each kilometer closer to the Danube, the Croatian troops would be closer to victory. For that the artillery and armored forces will be particularly important.

The situation in Baranja is somewhat different. The important bridge at Batina is quite far north, about 35 kilometers—as the crow flies—from Osijek. This is why the total depth of the frontline [dubina bojista] in Baranja is much greater than in eastern Slavonia. Moreover, Baranja is separated from the free part of Croatia by the Drava River. On the other side the Croatian forces will have the Croatian-Hungarian border. Breaking through toward the north along the border, they will come to Beli Manastir, in the liberation of which favorable conditions for further progress towards Batina and the Danube would be created, both from the border area and from Osijek. Moreover,

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successful destruction of the bridge across the Danube at Batina would mean at least 50 percent success.

At any rate, the decisive factor in the operation of liberating eastern Slavonia and Baranja will be speed and the surprise that comes with it, and much more so than in any of the previous Croatian Army offensives, since the Serb forces there are unfavorably deployed, and they need several hours to take all the combat positions. This is enough for the Croatian troops to achieve initial success and break through to the Danube within a very short time. After that the Serb defense will fall apart by itself.

Revival of Krajina Considered Impossible

95BA0358A Zagreb ARKZIN in Serbo-Croatian 1 Sep 95 p 8

[Article by Bozo Matic: "After the Wasteland, Stagnation!"]

[FBIS Translated Text] *Following the state's announcement that it will nationalize the property of its own citizens, whether they fled or left voluntarily, the international community is responding fairly angrily that it has no intention of financing a state that does not respect private property. And while Tudjman is very tactlessly counting the Serbian judges in Karlovac, those with cooler and more rational heads are warning that after the wasteland comes stagnation, that the lack of 100,000-130,000 of the original inhabitants can be felt everywhere, and that artificial revival, as a rule, is impossible.*

As usual, the story changes as is necessary. In the beginning, there was nothing. Everything was burned, destroyed, overgrown by weeds. Then some different information appeared. The factory works had been preserved (50 enterprises in the Zadar-Knin county, 13 in the Drnis-Vrlika area, 30 in the Sisak-Moslava county, and four in the Lika-Senj county), production could begin in 30 or 15 days; and 35 rail cars containing wine in tanks, 2,000 smoked hams, and 300 pigs were left in Drnis, over which serious political looting has begun.

Naturally, we are talking about the situation in the liberated 4,500 km² of the Krajina, which, depending on the wishes of those who disseminate information, varies from catastrophic to excellent. From a story of anger and despair, there came, from somewhere, a fairy tale about an economic "Storm," about a boom and flourishing that would occur in those areas in a month or two, about the happiness that every returnee must feel when he thinks about the abundance that awaits him there. But the fairy tale did not last long. The more and more frequent excuses put forward by displaced persons who, after four years, would not even return to their villages, in some cases burned and in other cases empty, without basic social living conditions forced the authorities to meet their obligation with a smile, moving them out of hotels and returning them to their centuries-old homes, no matter how much some people missed the central heating that they had since experienced. It is difficult for people to go back to a worse situation, and for many people, life in the Dalmatian mountain region was anything but sweet and idyllic, even before the war and the occupation. Only women and children lived in many villages, because although the men had left to work, sent money, and erected barns, they did not invest in the surrounding miserly land.

Life With the Fund

Drago Krpina claims that before the war, the population density in that area was 22 inhabitants per km². Even if all the Croatian displaced persons returned to that area, the average population density would be five inhabitants per km². Even before the war, the Knin, Benkovac, Obrovac, Gracac, Donji Lapac, Gracac [as published], and Titova Korenica municipalities were among the most underdeveloped and least settled areas of Croatia. Anyone who completed secondary school made an effort to find work in Sibenik, Split, Zadar, or Zagreb. Only a few returned. It was always hard to find a doctor, nurse, teacher, or professor in those areas.

While Petrinja, Topusko, Glina, Slunj, and Plitvice gravitated toward Karlovac and Zagreb and developed an industry that was at least to some extent compatible with the needs of the developed areas of Croatia and Yugoslavia, Lika and northern Dalmatia mostly lived on aid from the Fund for Underdeveloped Areas, the railroad junction in Knin, and the fact that the former JNA [Yugoslav People's Army] kept two strong garrisons in that area, Knin and Benkovac, and so the constant movements of military and officer personnel gave a sort of economic vitality to that area.

General Loves TVIK

Anyone who has even once passed through the Dalmatian mountain region has encountered its poverty, spaciousness, and emptiness. The blindness of the domestic experts who join in the classic political babble about the beauty and prospects of that area is therefore surprising. Before the war, in the Knin area there were 12,000 people employed in the socialized sector, in Benkovac 4,000, and in Obrovac 2,500. The Benkovac region was dominated by agriculture, industry, and commerce. All other sectors constituted less than 15 percent of the social product. In Knin, half of the social product came from industry, and Obrovac was dominated

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by mining. Everyone knew, however, that TVIK [Knin Screw Factory], which is enthusiastically discussed by businessman and General Cermak (who obviously is not informed about the situation in the Croatian metallurgical industry) generated losses from the very beginning (on the eve of the war, economic delegations from the former Yugoslavia were discussing with its managers the possibilities of rehabilitation in order to avoid a strike). Obrovac's TRIO [expansion unknown] and Alumina Factory were economically unjustified but nevertheless stubbornly financed blunders, in order to prevent an exodus of inhabitants and their pressure upon the major cities of Dalmatia and northwestern Croatia.

Stay Here

The people who lived in that area always had to be paid to stay in it. That was the origin of the story that was very popular a few years ago about the lazy Serbs who lived on aid and donations, and so they rebelled as soon as Yugoslavia collapsed, because they were aware that the new Croatia would no longer finance their idleness. Well, if we look at what serious Croatian authorities are promising the Croatian returnees today, we will see that the story is the same: "Come back, sit here, and we will give you tax breaks, 30 percent higher wages, and favorable loans. We will accelerate production, the marketing of which is admittedly uncertain because there is no market, we will open schools that will not have enough students, and we will fill the shops (at least in the beginning), even though they will not have enough of a turnover."

As soon as "Marjan Express" and the coffee in Knin are exhausted, however, the key question will arise: How can 20,000 or 30,000 Croats settle an area that used to be settled by over 100,000 Serbs in addition to them? This is a problem particularly because there are very large parts of the area where an almost exclusively Serbian population lived. The Croatian authorities are resolving this very laconically: They will settle them with the Croats who were driven out of Vojvodina and Bosnia. But can people really be transplanted like plants? Let us just recall Tudjman's magnanimous invitation to Croats from Romania to settle the abandoned Istrian hills; and let us compare it with the warning from IDS [Istrian Democratic Assembly] leader Jakovcic that the original population was abandoning the Istrian hinterland because it did not see any prospects in it. People simply do not want to travel every day from hill to hill to be waiters, maids, or clerks in Porec or Umag. Not even the attempt to transplant Janjevo Croats to Slavonian villages turned out to be successful. Tradition, customs, and habits do not change overnight. Reporters were terribly surprised that the Croats in those villages still got along better with the remaining Serbs than with their brothers from Kosovo. If they had seen Serbia proper in the 1980's, after the unsuccessful transplantation of Serbs from Kosovo to Sumadija, it would all be clear to them. To the people in Sumadija, all the people from Kosovo were still *siptars* [pejorative term for Albanians], and the "newcomers" behaved in accordance with the habits acquired over a hundred years of coexistence with Albanians.

Only someone who knows very little about Lale or even less about Golubic, near which vipers go to the Zrmanja watering hole, can imagine Vojvodina's Lala or Bunjevac making a granary in Kistanj, Golubic, or Krupa. It is unrealistic to expect that the Bosnian Croats, used to hundreds of years of association in crowded Bosnian small towns, where everyone went into everyone's house and peered into the pot, will cross 20 to 30 km in the Bukovica wasteland to reach a neighboring village—especially since the old Croatian grandmothers and grandfathers, living with their children in the cities for the past four years, have gotten used to doctors, warmth, and grandchildren, and, except in Croatian Radio-Television stories, will hardly want cold storms, frost, and snow in Zagora and Lika. Young people, of course, depending on their capabilities, have been buying or exchanging commercial properties and houses with Serbs from Zadar, Sibenik, and Split, and do not want to return to Knin, Drnis, or Benkovac.

Consequently, the only ones who return will be those that have to, because they have not been able to cope in the meantime or do not have anyone to stay with, and the state that has promised them prosperity will have to take care of them. Some of those expelled from other areas of the former Yugoslavia will also come, because they know that they cannot seek and expect lodging in the developed parts of Croatia. Perhaps some of the Croats in the diaspora may even return—although realistic forecasters do not expect this (the Ministry of Immigration expects mostly old people with low pensions and those who have not been able to cope elsewhere in the world)—but all of that does not constitute the motivated human resources needed by any region that expects prosperity.

Some Have Already Given Up

The political buffeting that Croatia has been suffering from the international community (and that Tudjman counterattacked throughout his whole trip from Zagreb through Karlovac, Gospic, and Knin to Split) since the Serbs' departure from the Krajina do not arouse any optimism either. Dissatisfaction with economic assistance has already been expressed; some loans have been

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stopped, and even those that have come have not been as abundant and rapid as expected. Following the latest burning of the property of Serbs in Croatia and the Croatian state's announcement that it will nationalize the private property of its own refugee or voluntarily departed citizens, the international community is responding quite angrily that it has no intention of financing a state that does not respect private property. And while Tudjman is very tactlessly counting Serbian judges in Karlovac, cooler and more rational heads are warning that after the wasteland comes stagnation, that the absence of 100,000 to 130,000 of the original inhabitants may be felt everywhere, and that an artificial revival, as a rule, is impossible.

The Croatian economy, devastated by war and privatization, objectively does not have the strength for large investments, or for enduring the Krajina loss-generators, or for providing aid sufficient to keep the inhabitants there alive. Too few employees in the rest of Croatia would have to support too many unprofitable ones in the Krajina, and furthermore prepare for a war in Slavonia. Warning about the economic looting and plundering that had been taking place in that area in recent weeks, Knin Mayor Sime Prtenjaca indicated that not even the Croatian authorities were taking that area seriously. It had served its purpose (the flag was on the fortress), but the economic purpose was still completely unclear. The slogan "grab what you can" that is being followed during the current interregnum by the self-appointed autocrats, to which this area is apparently condemned, cannot guarantee to anyone an attempt to establish serious economic and social relationships in that area. It may happen, however, that because of a lack of passengers, Marjan Express may cease to exist at the Knin station in the foreseeable future.

Views of Party Leaders on New Peace Plan

95BA0345A Split FERAL TRIBUNE in Serbo-Croatian 21 Aug 95 pp 4-5

[FBIS Translated Text]

Dobroslav Paraga, Croatian Rights Party [HSP]

Now that knowledge of the alleged "Tudjman line" has been made public and the new plan for division of Bosnia-Herzegovina made public by the United States, the question arises of whether the Croatian Operation "Storm" was only a good pretext for some people to finally murder internationally recognized Bosnia-Herzegovina.

An important component held in common by the Tudjman and U.S. plans is the resettlement of population. The "Tudjman line" even exchanges Tuzla for Banja Luka (the most obvious exchange), as well as large-scale resettlement in many areas. At the same time, the U.S. plan allegedly includes relinquishing Gorazde to the Serbs (also found in the "London sketch").

Any resettlement of population, however "voluntary" it may be portrayed, is actually a revival of Stalin's and Hitler's ideas and procedures. The recipe whereby population is exchanged on the basis of "right makes right" within a recognized state, part of which is occupied following aggression, is an idea that can destroy the world as we know it and effectively replace the present world order, which does not have the resolve to prevent events from moving in that direction.

Will Baranja and Vukovar also become part of the "population exchange" program? Is it not true, then, that any division of Bosnia-Herzegovina also signifies a division of Croatia and that a great many inhabitants of the unstable parts of Croatia and Bosnia-Herzegovina are merely a plaything in the hands of those who are "pacifying" those areas with cartography?

Today's departure of the Serbs from parts of Croatia occupied up to now cannot serve as a green light either to official Washington or Milosevic or Tudjman, or anyone in Sarajevo, to carry out a forcible and illegal resettlement of population and exchange of cities and territories.

Zdravko Tomac, Democratic Reform Party [SDP]

The fifth and most recent plan for the division of Bosnia will supposedly not affect the ratio as to territory (49:51), but will make new concessions to the Serbs. They will get compact territory, eastern Bosnia that has been ethnically cleansed, an expanded corridor in the Sava Valley, and the federation will consist of three splintered and unconnected parts. Then the Serbs will be given the right to form a confederation with Serbia, and the Federation with Croatia.

The logic of all the plans is erroneous, including this one, which adopts Milosevic's conception, because not only does it legalize genocide, but it also even plans and encourages new ethnic cleansing and a rewarding of the aggressor. It should be said that the Croats and Muslims have a majority on 58 percent of the territory of Bosnia-Herzegovina.

Instead of a plan for the division of Bosnia, a plan for the preservation of Bosnia is needed; only such a plan can succeed and result in a fair peace and the end of the war. Croatia and Bosnia-Herzegovina must reject that plan and propose their own plan for Bosnia-Herzegovina as a federation of three equal nationalities. In particular, Croatia must not accept a plan for division, because it will fall into a trap, and those who are pushing them

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to accept that plan will blame them for the division of Bosnia.

Dragutin Hlad, Croatian Independent Democrats [HND]

The most recent U.S. plan for the division of Bosnia is an expansion of the Washington Agreement, and it makes confederation with Serbia explicit.

This, then, is a division of Bosnia and a recognition of the results of aggression. The HND does not recognize the results of aggression and supports the unchangeability of borders in this region. That proposal is also a step toward the creation of a new Yugoslavia. The HND is resolutely against that.

It is in the interest of Croatia for Bosnia to remain whole in its internationally recognized borders, with an internal solution for the three constituent nationalities in which none individually, nor two of them together, will be able to outvote the third and make decisions that bypass any individual nationality in Bosnia-Herzegovina.

Bosnia-Herzegovina thereby retains its symbiotic relationship with Croatia, which therefore has no need for any formal confederations. We are convinced that the Bosnian Muslims will not accept that U.S. proposal, but that Bosnia-Herzegovina and Croatia will jointly realize their war objective on the basis of the Split Agreement: victory over the Nazi aggressor Serbia, with all the consequences that ensue therefrom (war reparations, punishing the war criminals, and an international protectorate over Serbia, just as in the case of Germany).

Nedjeljko Tomic, Croatian Peasant Party [HSS]

From the very outset of the Serbian aggression against the Republic of Croatia and Bosnia-Herzegovina, the HSS has continuously held identical views based on principle toward Bosnia-Herzegovina, regardless of the changes in political and military relations that have occurred in the past in this region. They are, first of all, the integrity of Bosnia-Herzegovina as an internationally recognized state and member of the United Nations. Then the internal regulation of relations of the constituent nationalities on the basis of the international standards in effect. And third, preventing the self-styled FRY [Federal Republic of Yugoslavia] from crossing the Drina on a constitutional basis.

The available information on the U.S. plan for division of the Federation of Bosnia-Herzegovina is only partially acceptable to the HSS, specifically in that part which speaks about "global division" of territory into the Serbian part and the part of the Bosnian Muslims and Croats, and then only as a principle, because the established ratio of 51:49 is unfair and illogical.

We preclude the possibility of communication with Karadzic and Mladic, who have been charged with war crimes, in negotiations concerning the future of Bosnia-Herzegovina. We absolutely do not accept the possibility which has been suggested of exchanging territory, because that would signify a continuation of ethnic cleansing, nor do we accept the confederal linkage of parts of Bosnia-Herzegovina with Serbia or with Croatia. Certain statements of certain Croatian politicians about alleged opposition of the Republic of Croatia to a confederal linkage of eastern Bosnia with Serbia seem to us unprincipled and harmful to future relations of the Republic of Croatia with the Muslims in Bosnia-Herzegovina. Dual confederation of parts of Bosnia-Herzegovina with different states is incompatible with the principle of international recognition of Bosnia-Herzegovina. Possible acceptance of the U.S. plan, if the information is accurate, would be harmful to the Republic of Croatia and to the Republic of Bosnia-Herzegovina and would result in long-term instability in this part of southeastern Europe.

Bozo Kovacevic, Croatian Social Liberal Party [HSLS]

This U.S. plan is reminiscent of certain previous plans that failed ingloriously. I consider the most important innovation to be that NATO might independently see that this plan is carried out, independently of the United Nations.

The bad thing about this plan is that it nevertheless envisages the possibility of division of Bosnia-Herzegovina. The relation between military forces at the moment and the establishment of an alliance could be a good basis for imposing solutions that guarantee the integrity of Bosnia-Herzegovina and punishment of the aggressor. This actually means insistence on the defeat of the Milosevic and Karadzic forces and reestablishment of that internal arrangement of Bosnia-Herzegovina that would be the result of an agreement among the three constituent nationalities.

Up until the Split Declaration, Croatian policy toward Bosnia-Herzegovina was not particularly convincing. Practice has differed from the principles of the Washington Agreements. But the joint military operations carried out in the areas of Bihac, Grahovo, and Glamoc are an indication of an essential and decisive change of direction of Croatian policy toward Bosnia-Herzegovina.

It is on the basis of those statements that we can expect that the Muslim-Croatian conception of the fate of Bosnia-Herzegovina may be more acceptable from the standpoint of the Western world than the Serbian conception.

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Silvije Degen, Croatian Social Democratic Action

I know about the new U.S. plan only from the media and Galbraith's interview, where one reads that there will be "two entities created, one of which will be Croatian and Bosnian Muslim and will rely on Croatia, while the other will be under Serbian oversight...." That view has no future whatsoever and actually turns this area into an expanded Serbia. For that matter, that sort of division of Bosnia was envisaged by Stalin himself 50 years ago.

Packing people into ethnic corrals is nothing other than ethnic cleansing. Although the United States is suggesting to us that we become a new Vojna Krajina, but without the Krajina Serbs, it is more likely that we will become a new Israel in the Balkans.

Only preservation of a unified Bosnia-Herzegovina can be an acceptable solution. It cannot be achieved without a protectorate of the international community imposed by police and law and without foreign units that will intervene.

Otherwise, Europe can count on the possibility of preparing its own grave in Bosnia, just as Austro-Hungary did in the past.

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Car Bomb in Skopje Injures President Gligorov

AU0310114895 Belgrade Radio Beograd Network in Serbo-Croatian 1100 GMT 2 Oct 95

[Report by Aleksandar Nikolic Pisarev from Skopje]

[FBIS Translated Text] An attempt to assassinate Macedonian President Kiro Gligorov was carried out in Skopje shortly before 1000 today as Gligorov was on his way to work. A car bomb went off outside the Bristol Hotel, near the old railway station, at the crossroads of Marshal Tito Street and Mito Hadzi Vasilev Jasmin Street, at the moment the Mercedes taking President Gligorov to work was passing.

President Gligorov's driver was killed instantly. President Gligorov was injured and, according to the preliminary report by the board of physicians, his life is out of danger. The powerful explosion broke the glass in all nearby buildings, and several passersby were injured.

According to the police reports, a vehicle with Titov Veles license plates fled the scene of the incident at great speed. After few kilometers, however, the vehicle was stopped and an investigation of the driver and passengers has been initiated.

In the meantime, the authorities have closed all border crossings. An investigation is under way. Police sources have reported that the assassins have been captured, so to speak. The board of physicians has reported that President Gligorov's life is out of danger and that he has been transferred from the municipal hospital to the clinic of the Medical Faculty for a detailed examination. At the moment, several hundred Macedonian citizens are outside the hospital, following the medical condition of their president with great interest. This event has rocked all of Macedonia [The Former Yugoslav Republic of Macedonia—FYROM].

Gligorov Hospitalized

AU0310102895 Paris AFP in English 1008 GMT 3 Oct 95

[FBIS Transcribed Text] Skopje, Oct 3 (AFP)—Macedonian President Kiro Gligorov narrowly escaped being killed Tuesday when a carbomb blew up in central Skopje as his car was driving past, state television said.

It said Gligorov had been admitted to hospital where he was "under medical care" but his life was not endangered. "He is conscious and his life is not threatened," the report said.

Sources close to the Interior Ministry said two people had been arrested in connected with the blast.

The president's driver was killed and several people were wounded in the blast, according to the television.

The explosion occurred at around 9:30 a.m. (0830 GMT) in Marshal Tito street in central Skopje close to the foreign ministry and parliament building. After the blast, which shattered the windows in buildings all around, the president's car hit another vehicle.

The attack came a day after Gligorov was in Belgrade for talks with the president of Serbia Slobodan Milosevic on normalising relations between the republics. The two countries have had no diplomatic relations since the former Yugoslavia broke up and Macedonia [The Former Yugoslav Republic of Macedonia—FYROM] proclaimed independence at the end of 1991. On Monday, Milosevic on Monday said he favoured "full normalisation" of relations with Skopje.

FYROM Seals Borders

BR0310111595 Madrid EFE in Spanish 1045 GMT 3 Oct 95

[FBIS Translated Excerpt] Skopje, 3 Oct (EFE)—Government sources said that the driver of the car is dead, and, although at first it was said that Gligorov suffered "light injuries," the state news agency Makpres stated that Gligorov was taken to hospital unconscious just after 0900 GMT.

Local radio said that after the car bomb exploded, a car with a license plate of the city of Titovo Veles tried to leave the area, but the police stopped it and arrested its drivers.

FYROM's [The Former Yugoslav Republic of Macedonia] borders with Albania, Serbia, Greece, and Bulgaria have been sealed and the television network "Braca Karic" states that several people were injured in the attack.

The FYROM president had just returned from Belgrade, where he met Monday with Serbian President Slobodan Milosevic for the first time since 1993. [passage omitted]

Reportage From Skopje Radio

AU0310121395

[FBIS Editorial Report] Skopje Radio Macedonia Network in Macedonian on 3 October carries a series of reports on the bomb attack in Skopje today against President Kiro Gligorov.

At 0945 GMT, the announcer states: "At this time, Kiro Gligorov, president of the Republic of Macedonia [The Former Yugoslav Republic of Macedonia—FYROM], is undergoing medical teatment; his life is not in imminent

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danger and he is conscious. As we have already informed a few moments before 1000, in Makedonija St. in front of the Hotel Bristol in Skopje, the vehicle of the President of the Republic of Macedonia was targeted in an attempted murder. A strong explosion damaged the vehicle; the driver died on the spot, several passersby were wounded, and some houses were damaged in the vicinity, which indicates that the explosion was very strong. According to police information, just after the explosion a vehicle with Titov Veles license plates sped from the scene of the explosion, but it was stopped a few kilometers afterwards and is under investigation. In the meantime, the border crossings are blocked. Investigations are under way."

Correspondent Dragan Antonovski reports that "we do not have official information, but the incident took place a few moments before 1000 in front of the Hotel Bristol, near the old railway station, where an attempted murder occurred against the President of the Republic of Macedonia. He is currently in good condition, with minor injuries. He is located in the Town Hospital, and as we have discovered, he will be transferred to the State Hospital. His driver was killed on the spot and there are some passersby who were also injured."

Antonovski continues by saying, "The murder was attempted in front of the Hotel Bristol after a car bomb of the 'Spacek' type exploded while Gligorov's vehicle was passing by on the corner of the Hotel Bristol. The bomb was probably detonated by remote control, after which some windows were broken. We are still waiting for official information from the Interior Ministry."

Correspondent Stojan Trencevski reports from the Town Hospital. "I was able to see our president being transferred from the Emergency Room to the X-ray department. The first piece of information that we received by one of the doctors of the medical Council headed by the Minister of Health is that Gligorov's life is not in immediate danger, he underwent all emergency treatments, and at this moment he will be transferred to the State Hospital. The citizens are very excited about the health of the president. All citizens condemn this attempt, and in the hospital here the experts are extending help to the injured. The ambulance is ready to transfer Gligorov to the Special Clinic of the State Hospital. His injuries are minor, but thorough examination is necessary. Several hundred people have gathered here and are very excited."

At 1017 GMT the studio announcer reports that "in the murder attempt against Gligorov Aleksandar Spirovski, the driver, was killed; Hristo Manov is in bad condition; Klime Korobar and Jovan Atanasovski are not in life-threatening danger but are wounded. Police sources say that the car bomb was parked on the right side at the beginning of Makedonija St. Interior Ministry sources say that the identities of the perpetrators are ready to be revealed. They are two male persons, dressed in blue suits and driving a Renault 25. All directions to Skopje are blocked and there is strict control."

The report continues with brief interviews with passersby and people living in the area speaking about what they could see and feel after the strong explosion. One person says "it was dreadful, all windows were broken."

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Official Comments on NATO Expansion Report

WS0210153395 Warsaw TRYBUNA in Polish 30 Sep-2 Oct 95 p 2

[Report by W.D.: "Through the Washington Treaty...; Road to NATO"]

[FBIS Translated Text] *"The formal road of new states to NATO has been specified in the report on expansion of the organization and in the internal laws of the countries that aspire to become NATO members," says Andrzej Towpik, who received the report on behalf of Poland.*

New member states will be admitted at NATO's initiative. The final decision will be made by the NATO Council, and then the decision will have to be ratified by appropriate organs of all 16 member states (the principle of consensus). Only then will an appropriate agreement between NATO and the applicants be signed. In the case of Poland, this agreement will have to be approved (in the form of a law) by the Sejm and then approved by the president. The Polish legal system does not envision a referendum in this case.

The expansion will be in line with Article 10 of the Washington treaty. Thus, the member states will receive all of the rights but also will share all of the responsibilities envisioned in the treaty (including financial and military commitments). However, as Deputy Minister Towpik says, the document does not specify the form of participating in the organization's military structures. Thus, one cannot rule out the French option—that is, participation in the political structure without being part of the military structure. The Danish option is also possible: It envisions participation in the military structure, without the possibility of foreign troops being stationed on the territory of a given state.

Andrzej Towpik believes that those journalists who closely linked the process of admitting new states to NATO to a similar process in the EU were wrong. According to him, there will be no close parallel; the dynamics of both processes may be different. He agrees with those journalists who say that more specific decisions are to be expected in NATO by spring 1997, when the United States and Russia have new presidents.

Okonski's Remark on Nuclear Arms Raises Protests

WS0210154995 Warsaw GAZETA WYBORCZA in Polish 2 Oct 95 p 3

[Article by Pawel Wronski: "Reaction to Okonski's 'Nuclear' Statement: Dangerous Declarations"]

[FBIS Translated Text] A group of deputies from the Democratic Left Alliance [SLD], the Freedom Union, the Union of Labor, and the Polish Peasant Party are to ask Defense Minister Zbigniew Okonski who authorized him to issue statements on the deployment of nuclear arms on the territory of Poland. One week ago, after talks held with NATO Secretary General Willy Claes in Brussels, Okonski said that Poland had nothing against it. The minister issued his statement on the eve of the presentation of the document on NATO expansion by the NATO Ambassadors Council.

"Statements so fundamental for the Polish reason of state and the nation's future should be consulted on with the government," says Longin Pastusiak (SLD), head of the Polish delegation to the North Atlantic Council. "As far as I know, Okonski did not consult anyone."

"NATO does not require Poland to issue such declarations, and they are harmful from the point of view of state interests," says Pastusiak. He reminds us that some of the NATO states (for example Norway and Denmark) have secured the policy that nuclear weapons are not deployed on their territories in times of peace.

Okonski's statement was supported—with reservations—by President Lech Walesa.

Ex-Envoy to U.S. on Media 'Lament' Over NATO

WS0310114095 Warsaw RZECZPOSPOLITA in Polish 30 Sep-1 Oct 95 p 5

[Commentary by Kazimierz Dziewanowski, former Polish ambassador to the United States, under the "Always on Saturday" rubric: "Our Unfortunate Fate"]

[FBIS Translated Text] There was a time when Tadeusz Mazowiecki recalled the concept of the "Polish hell." Another such concept, which is also infernal, is the "Polish lament." It is the wailing that can be heard always and in any circumstances. It is a national custom and occupation. This is what makes us different from other nations, which believe that weeping in public, complaining, and wailing—"how we are being harmed, how unfortunate our fate is, how we are being betrayed"—are unworthy and repulsive. It is generally believed in those countries that a man worthy of trust and respect always tries to overcome difficulties and does not admit his weaknesses.

In Poland the loudest complaints come from the press and all media in general. My fellow journalists believe that complaining is the only way to be regarded as independent and creative. This goes for our foreign affairs as well, and the subject our journalists complain about most frequently is the policy pursued by the West.

For many months I heard complaints that the West and NATO were not doing anything to put an end to the war in Bosnia. Those who complained were right

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because it was, indeed, a shameful spectacle. However, finally NATO decided to take firm action. It effectively changed the situation in Bosnia. Then, all of a sudden our media lost their interest in the issue. I often listen to radio newscasts, so I know how much time one needs to spend listening to the radio to find out what has happened in Bosnia. For many journalists the subject ceased to be interesting.

A reason for constant complaints is the slack activity over NATO expansion. For a long time we heard complaints and accusations, which came in torrents: Yalta, treason, Poland alone again. At the beginning, for two or three years, the West would not hear about this. Then a big discussion was held that attracted all those who had something to say in politics. At that time our newspapermen announced that these were merely words and that there were still no specifics. It was not known who and when. Then the West declared that the decision had been made and that NATO would expand. The first countries to join the organization would be Poland, the Czech Republic, and Hungary. Our journalists replied: empty promises and no specific dates. After some time the West announced how it would act and what would come first; in line with the schedule it had announced, it revealed its plan.

The complainers replied that there still was no final date and asked if it was really so. However, because they realized that some progress was made, they raised another problem: Will it not be so that when we are in NATO we will occasionally be forced to send our troops to operations abroad?

Thus, it turned out that the wailing chorus wants to show how worried and alert it is to find difficulties; it does not care that much about the essence of the matter—that is, Poland's security.

The chorus still does not believe that we will be admitted to NATO and that we will be secure. This would go against the thesis that we must always be betrayed and abandoned. The life of a Pole who has not been betrayed and abandoned would lose all of its charm and would cease to be interesting. Thus, just in case, if it turned out that the intentions of the West are serious and the Russians are nervous because they really believe that the West has already made its decision, our wailers put forward a new reason for worrying: what to do to receive all guarantees from others without having to bear any costs or take any risk.

The life of a Pole is, indeed, extremely difficult. It is not enough that others are inclined to treat our strongest wishes seriously; they also order us to take part in the process of realizing those wishes. What extraordinary unkindness and lack of delicacy. In 1939 they did not help us, and now they want to help.

We are poor, poor souls....

'Confidential' Report on Polish-Russian Relations

WS0310130895 Warsaw GAZETA WYBORCZA in Polish 2 Oct 95 p 4

["Longin Pastusiak's Anonymous Expert: Confidential Report for SLD Deputies"]

[FBIS Translated Text] *"Remarks on Eastern Policy"—that is the title of an opinion on Poland's Eastern policy issued by a "ardent observer," distributed by Deputy Longin Pastusiak among parliament members from the Democratic Left Alliance on 21 September. Below is the full text:*

Poland's relations with Russia remain frail, full of mutual distrust and susceptible to manipulation. The events at the "Eastern Railway Station" or the "Church on Mala Gruzinska Street in Moscow" best illustrate this. Seemingly insignificant incidents came to the fore after they were publicized in the Polish and Russian media, thus casting a shadow on diplomacy and politics and, what is worse, shaping public opinion in both countries by projecting negative stereotypes.

It is obvious that reactions to both incidents are merely the tip of the "iceberg," a vociferous expression of processes that began much earlier. Nevertheless, everything that had thus far remained unsaid between Poland and Russia found its social and political expression over several days, closing a certain chapter in bilateral relations.

Poland is not the only one to blame for this state of affairs, although it does seem that Polish foreign policy always aspired to join NATO and the Western European Union and yet continued to encourage an active nurturing of friendly relations with its Eastern neighbors, particularly Russia. This is also a yardstick of our international credibility. Not much has been done, however, since the collapse of the USSR to counteract the growing negative trends. The Eastern policy of the Republic of Poland was and remains passive.

Only the positive political climate of the early 1990's made the pullout of the Soviet troops from Poland possible. Unfortunately, the opportunities were largely wasted. Poland failed to gain recognition as an economic and political partner, despite its huge potential to do so.

Instead, the elites that came to govern Poland after 1989 channeled most of their energy into ideological and propagandistic action targeted at settling past accounts and judging the former USSR, coupled with attempts to settle accounts with the Polish People's Republic and

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the Polish left. The Katyn issue was presented as a milestone in Poland's Eastern policy.

It is worth noting that "Western democracies" at the time came to terms with Stalinist crimes, then with the Chechnya crisis, and established good political and economic relations with Russia.

Polish Eastern policy not only lacks pragmatism and the ability to see history and current affairs in adequate perspective, but it is also inconsistent. There is a hiatus between its strategic objectives, which enjoy widespread public approval, and specific forms of their implementation, the modus operandi. The implementation of certain objectives intended to serve strategic purposes all too often either misses its target or contradicts it, bringing about results opposite to those intended.

This pertains in particular to maintaining a "dialogue" with the East by resorting to values and notions that the interlocutors find unconvincing or alien due to differences in culture, mentality, and philosophy or diverse political traditions. Representatives of the post-Solidarity camp are obsessed with exposing the martyrdom factor in relations with Russia and promoting Christian values as a basis for conciliation and determining future bilateral relations. This is due to a peculiar sense of mission that dictates that moral order be provided for by foreign policy. In the case under discussion, attempts are also made at generating guilt for Stalinist crimes as a prerequisite for redemption.

Russian society, with few exceptions, is not prepared for this type of therapy.

A continuation of these mistakes of this sort and ignoring facts will cause Polish Eastern policy to become less effective. One has to realize that time definitely works in Russia's favor. Its economy is stabilizing, the external empire is reappearing, advocates of more "radical" solutions are speaking out more often.

Although it does not seem that these tendencies could push Poland off the Atlantic track, they might decelerate the integration process. It is very likely that Russia will try to make diplomatic and propaganda use of the current tensions and poor mutual relations, which will certainly not contribute to strengthening Poland's position on the international arena.

Considering that the first stage of new Polish-Russian relations (1991-95) has come to an end without bringing the expected results, the Polish reason of state is to correct Russian policies as soon as possible. Because of Poland's place in Europe, our attention has to be divided and the process of Poland's joining European institutions cannot be carried out at the price of losing perspectives in the East.

Pawlak Vote for Veto Violates Coalition Deal

WS0210151695 Warsaw RZECZPOSPOLITA in Polish 2 Oct 95 p 2

[Article by Ewa K. Czaczkowska: "Without Chairman Pawlak; New Coalition Agreement"]

[FBIS Translated Text] The coalition parties reached a new agreement on Friday. In exchange for the peasant votes for overriding the presidential veto of the amendment to the pension indexation law, the Democratic Left Agreement [SLD] promised to support the Polish Peasant Party [PSL] on several issues.

The SLD, as Deputy Aleksander Bentkowski said, promised to support the PSL's efforts to secure 2.6 percent of next year's budget for agriculture (a level comparable with 1994, when outlays on agriculture were 2.48 percent), to retain the VAT [value-added tax] on construction materials at 7 percent, to prevent the imposition of the VAT on agricultural production input, and to retain the current system of financing gminas [smallest administrative units]. In return, the PSL club was to vote in favor of overriding the presidential veto. The agreement was signed unilaterally by SLD Club Chairman Aleksander Kwasniewski and his deputy, Mieczyslaw Czerniawski. Deputy Prime Minister Grzegorz Kolodko is said to have given his unwritten support for the agreement.

As we learned, the agreement was signed merely two hours before the vote. PSL Club Chairman Waldemar Pawlak boycotted the talks and violated voting discipline. He explained that he voted for the veto because he was consistent, unlike the president, "who did not show enough mercy for the old-age pensioners in the middle of his term." Seven PSL deputies violated the discipline.

"I do not claim that the Friday vote on the presidential veto will cause a split in the PSL Club, but we definitely kicked the ball into our own goal," commented Deputy Prime Minister Roman Jagielinski on Chairman Pawlak's vote. He claims that the party authorities should investigate the issue of the violation of club discipline by the chairman. Deputy Bentkowski also claims that the club must finally decide whether discipline is to be strictly binding for all or whether each deputy is to act on his own. A debate before the presidential elections, however, is unlikely.

Waldemar Pawlak's Friday vote against the decision made by the whole club was not the first action taken by the chairman that has astonished the peasants themselves in recent times. One thing has to be said: The chairman is very consistent in his attempts at breaking up the coalition with the SLD. The peasants more than

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ever need to talk seriously about the party leadership and its future. That discussion, however, should not be expected to take place before the presidential election. The majority of club members have adopted the tactics of passively observing their leader's moves so as not to harm his popularity in the election, although, on the other hand, the tone and outcome of the debate will depend on that very popularity.

Poll: Popularity of Left-Wing Candidate Growing

LD0310085495 Warsaw Polskie Radio First Program Network in Polish 0800 GMT 3 Oct 95

[FBIS Translated Text] Aleksander Kwasniewski's popularity as a presidential candidate is growing, according to a poll conducted by the Pentor Institute between 23 and 26 September. The Democratic Left Alliance [SLD] candidate is supported by 32 percent of those polled. This result shows a 7-percent improvement compared with the poll result reached two weeks ago. Seventeen percent of those polled—that is, the same proportion as two weeks ago—want to vote for Hanna Gronkiewicz-Waltz. Support for Lech Walesa increased by two points, from 13 percent to 15 percent. Jacek Kuron's popularity dropped from 12 percent to 9 percent, and Tadeusz Zielinski's from 12 percent to 7 percent.

PSL, SLD in Bidding War Over Privatization

95EP0162A Poznan WPROST in Polish 16 Jul 95 No 29, p 34

[Article by Krzysztof Golata: "A Fief of the Governing Coalition: Will Privatization in Poland Become the Object of Political Bone Haggling?"]

[FBIS Translated Text] "He who controls the economy holds the reins of power," wrote the classics of Marxism. A consequence of this dictum was the postulate that the state should control the economy. "We socialized privatization," declared Bogdan Pek, one of the framers of the bill on the commercialization and privatization of state enterprises. If that bill is ratified by the Senate and signed by the president, the state will gain total control of ownership transformations in Poland.

Under this bill, the privatization of the alcohol, oil, gas, arms, and energy industries as well as of banks, insurance institutions, and telecommunications will depend on the decision of the parliament. The practical implications of the provision specifying that "parent agencies (a minister or a voivode) will be able to decide on commercializing an enterprise for a purpose other than privatization" are unknown. Prof. Leszek Balcerowicz has plainly stated that this is laying the legal foundations for creating "cronyist economy," that is, a spoils system under which perks and managerial positions in the economy are awarded to favored appointees. PSL (Polish Peasant Party) deputies did not succeed in forcing through an amendment specifying that supervising councils of enterprises can be staffed with persons who failed to pass qualifying examinations.

The bill on the commercialization and privatization of state enterprises was first presented to the parliament nearly two years ago, and the legislative process was completed recently, within 10 days. Deputy Pek has, together with Leslaw Podkanski, the former minister for foreign economic relations, struggled until the last moment to limit as much as possible the powers of [Privatization Minister] Wieslaw Kaczmarek and transfer them to Sejm, the government, the ministers, and the voivodes.

Could it be that Bogdan Pek was trying to get revenge for having been removed from the post of chairman of the Sejm Privatization Committee?

From the beginning the PSL has always been opposed to privatizing the economy. Now its opposition has taken the form of the new bill. Under this bill, ownership transformations will be the subject of large-scale political haggling between the two partners in the governing coalition [the PSL and the Democratic Left Alliance, that is, the SLD]. The haggling will be like this: If you agree to privatizing, e.g., the alcohol industry, then we will consent to commercializing [restructuring, but retaining state control over] the shipyard industry. The haggling began already while voting on that bill, when the SLD extorted from its partner the consent to privatizing tobacco plants and Polish Copper SA even before the acceptance of that provision by Sejm.

It has not proved possible to create a benign climate for privatization. The politicians are taking notice only of the attendant scams, while to a substantial segment of the public privatization means merely a form of distribution of public wealth. On listening to certain deputies from the governing coalition the impression may arise that their ideal is a situation in which an investor buys a factory at the price fixed by the parent agency and thereupon becomes a silent partner without participating in management of the factory. "Were privatization to result in new technologies and serve to increase employment instead of depriving hundreds of thousands of people of their jobs, I would support it," declared Deputy Piotr Ikonowicz.

"If there is to be capitalism in Poland, then at least the capitalists should not be rich," a leftist politician said once. It may be that we shall become the first country to succeed in translating this maxim into reality.

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Janusz Lewandowski, the former privatization minister, believes that continuing the privatization depends not on economic criteria but on political will. The text of the bill in question proves that the governing coalition lacks that will. PSL and SLD politicians are not swayed by economic results which clearly show which sector [i.e., the private sector] is the locomotive of the economy. Once the leader in privatization in Central and East Europe, we are slowly becoming an also-ran.

A majority of the nearly 4,000 existing state enterprises has fewer than 50 employees each. The parent agency of such firms is the voivode. Some of the plants are in an extremely poor financial condition and hence potential investors show no interest in them. The Ministry of Privatization intends to convert more than 1,000 state enterprises to one-person Treasury companies, [i.e., to commercialize but not subsequently privatize them]. The new bill provides that employees of privatized plants will be given gratis a 15-percent stake in them (previously they were guaranteed 20 percent, purchasable in installments or at half the regular price). An additional 5 percent of shares is to be reserved as compensation in lieu of restitution to original private owners whose businesses had been nationalized. Ten percent will be allocated to the compensation fund for state employees, and 25 percent will go to pension funds. Thus, only 45 percent of the shares will remain available for capital investors. Who would invest his money in an enterprise in which he cannot own the controlling block of shares?

Kolodko: Budget Cannot Meet Defense Target

LD0310091395 Warsaw Polskie Radio First Program Network in Polish 0700 GMT 3 Oct 95

[FBIS Translated Text] According to Finance Minister Grzegorz Kolodko, it is not possible to implement the Sejm resolution setting the defense expenditure at 3 percent of the GDP. Yesterday, after a meeting of the National Defense Committee, the committee head, Henryk Goryszewski, said that the National Security Office was to prepare a joint program with the National Defense Ministry and the Finance Ministry. The program would make the implementation of the Sejm resolution possible. The resolution puts the government under the obligation to allocate 3 percent of the GDP on defense by the end of 1997.

Deputy Prime Minister Kolodko, although skeptical about this figure, made an assurance that state expenditure on defense would increase.

[Begin Kolodko recording] I have no doubts whatsoever that the demand that in 1997 a 3-percent share of the GDP should be allocated to defense is unrealistic. We can realistically guarantee a 3-percent increase in expenditure on national defense, to be financed by taxpayers' money. There are not many other public sectors that have been given such guarantees. [end recording]

EU Role in Influencing Economic Changes Viewed

95EP0155A Warsaw RYNKI ZAGRANICZNE in Polish 6 Jul 95 No 60, p 3

[Article by Jaroslaw Pietras: "Polish-EU Relations: An Appraisal of the European Treaty"]

[FBIS Translated Text] The current status of the relations between Poland and the European Union is defined chiefly by the experience gained by both parties since their trade relations became regulated in 1989. This experience is linked to the implementation of a new agreement, the so-called European Treaty, signed in December 1991, under which Poland became an associate of the European Community.

Already during the negotiations Polish-EU relations had become markedly intensified. They were further invigorated by the implementation of the trade part of the Treaty, the so-called Interim Agreement (1 March 1992-1 February 1994), and of the full Treaty itself, which took effect on 1 February 1994, once it began to be implemented. A factor in the growth of these relations is the aspirations and postulates posed to the European Union by the Polish side in recent years, as expressed most clearly in the official application for membership in the European Union presented by Poland (on 8 March 1994)

Importance to Trade

The effect of the European Treaty on the Polish economy should be appraised in at least two planes. First, there is the treaty's general importance to the growth of the Polish economy. Macroeconomic policy has become more stable and more resistant to changes in Polish political alignments, and the longrange purpose of adaptive processes has become more obvious. The acceptance of the European Treaty has contributed to enhancing Poland's credibility as a trade partner on foreign markets, improved our country's standing on international financial markets, facilitated efforts to reduce foreign debt, and contributed to an increase in the flow of foreign capital into Poland.

The regulation of relations between Poland and the EU countries by the Treaty has markedly affected our foreign trade. Its far-reaching consequences to the economy as a whole should also be considered. Poland is undergoing fundamental institutional changes, and in such a situation the conclusion of a treaty regulating the principal domains of cooperation with the country's

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most important economic partner contributes greatly to stabilizing the climate of our domestic reforms.

Liberalization Measures

The European Union has for several years now been Poland's most important trade partner. In 1994 it accounted for more than 60 percent of Poland's foreign trade (according to the figures of the Main Statistical Administration). (For comparison, in the late 1980s it was about 30 percent.) Some changes in the commodity structure of that trade took place as well. Ultimately it is difficult to assess what role was played here by the liberalization of trade under the European Treaty and what by the transformations occurring in the Polish economy. There is no doubt that the disintegration of the ties formed under the former Eastern bloc [COMECON or CEMA] played a significant role here.

Thanks to the provisions of the European Treaty about 94 percent of the value of Polish exports to the European Union (in 1992 prices) was affected by liberalizing measures which to one degree or another facilitated access to the EU market.

In 1992 duties on 39.6 percent of the overall value of Polish exports to the EU were abolished, and in 1993 the extent of this duty-free access to the EU market rose to 41.6 percent, while in 1994 it was 42.3 percent. For 1995 trade in the industrial products listed in Appendix III was completely liberalized so that now nearly 62 percent of Polish exports have duty-free access to the EU. According to Central Institute of Foreign Trade figures, last year complete liberalization was extended to 55 percent of Polish exports.

In the next two years (assuming the prices and structure of exports in 1992 as the base figures) the share of duty-free products in Polish exports will be as follows:

—In 1996: 65.6 percent (duties to be abolished for steel products under Protocol 2).

—In 1997: Once duties are abolished on textiles as well, imports of industrial goods from Poland will be completely liberalized. In other words, 81.4 percent of Polish exports to the EU will be on a duty-free basis (the remainder of Polish exports consists of agricultural products).

The trade concessions gained are more modest in the fields in which Polish exports are competitive, because for these fields the period of the liberalization of access to the EU market has been extended. Besides, there exist barriers in the form of complicated procedures required to utilize the concessions received. The EU side displays moreover signs of a protectionist policy as reflected in, e.g., instituting antidumping proceedings.

The implementation of the trade provisions of the European Treaty has meant facilitating for Poland access to the markets of the EU member countries. However, the scale of these trade privileges has become eroded by the granting of similar concessions to other countries with associate status as well as by the addition of new members, i.e., Austria, Finland, and Sweden, to the Union. A similar effect on the scale of the preferences gained is being exerted on the currently implemented provisions of the GATT's Uruguay Round.

The dynamic growth of trade relations and economic cooperation between Poland and the EU is worth noting. It occurred even though, shortly after the signing of the European Treaty, the economies of West Europe retrenched and began to recover markedly only in 1994. Despite the considerable growth of trade, however, the unfavorable market conditions limited the potential for expanding Polish exports to the EU. Moreover, that recession affected price levels adversely. This resulted in a marked asymmetry to the disadvantage of Poland, as measured by the condition of the balance of trade. Thus while Polish exports increased markedly, imports grew at an even faster rate, causing a substantial rise in deficit. That deficit has not been sufficiently offset by the influx of capital in the form of direct foreign investments.

The rise in the value of Polish exports of goods on which duties were abolished has been smaller than the rise in the value of duty-free imports into Poland. This happened even though duties were abolished for merchandise groups which accounted for a greater share in exports than in imports. Moreover, the share of agricultural commodities for which duties were reduced has decreased. The preferential quotas envisaged in the Treaty were not utilized. Exports of agricultural commodities decreased and their imports increased only insignificantly.

Of some advantage to Poland is the fact that the liberalization of the access of Polish industrial exports to the EU market has been occurring at a faster rate than the liberalization of our imports. Duties on exports to the EU will be abolished in 1997 and in imports to Poland, basically, in 1999, with exceptions to continue as long as until 2002.

Spontaneous Integration

The Polish economy is undergoing an intensive process of integration with the EU economy. This is largely a spontaneous process. The conditions created for trade, investment, and cooperation promote the establishment of direct cooperation between Polish and EU enterprises. At the same time, this process is one of the major

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priorities of Polish economic policy. The adaptation to the new conditions of cooperation is proceeding in accord with the provisions of the government program for measures adapting the Polish economy and legal system to the requirements of the European Treaty. Generally speaking, Polish laws are being successfully harmonized with EU legislation and Polish economic policy is being successfully adapted. Currently Poland is starting to adapt its laws to those of the unified market, thus implementing the principal recommendation of the so-called White Book of the European Commission concerning the preparation of countries with associate status for future membership in the EU.

On the basis of the lessons learned from the admission of Spain, Portugal, and Greece, Poland views joining the EU as primarily a political decision conditioned by major economic considerations. The decision to apply for membership affords an opportunity to adjust more rapidly the level of our country's economic growth during the adaptation period so as to become more ready to assume membership obligations and at the same time to benefit from the privileges of becoming a EU member.

Cost Analysis

In view of the growing prospects for the inclusion of countries of the Visegrad Group in the European Union, discussion is underway on the subject of the cost of including these countries in Community structures and policies. In particular, analyses are being focused on the cost of including the Visegrad Group in the common agricultural policy of the EU and in the structural funds, which currently account for the highest outlays from the EU budget.

The attendant costs will not be distributed uniformly in time and will not be the same on both sides. For the European Union they will be reflected in an increase in budgetary spending, while for the countries of Central-East Europe they will be reflected in the consequences of structural changes, i.e., in unemployment and popular discontent due to the attendant social and economic changes.

As regards agriculture (or, properly speaking, the food industry), the European Treaty does not afford sufficiently strong instruments for integration with the food industry of the European Union. On the contrary, the integrative model outlined in the Treaty provides for a gradual attainment, over some 10 years, of the free-trade zone in nonagricultural branches of the economy but only a limited liberalization of trade in agricultural and food products. If this model is translated into reality, the Polish economy will not be uniformly integrated with the economies of the EU countries, since its nonagricultural ties will be stronger than agricultural ones.

The problem of meshing Polish and EU agricultural policies is much more difficult. This is due chiefly to the fact that within the EU such policy is currently changing. It is difficult to adapt to something that is changing, especially considering that the ultimate shape of that policy is still unknown. Moreover, for some instruments recently introduced by Poland (e.g., countervailing fees) the operating procedures differ significantly from those in the EU.

Financial Aid

On the effective date of the European Treaty, i.e., on 1 February 1994, there began, in addition to the liberalization of trade, a gradual liberalization of the other three freedoms, namely, the freedoms of the flow of capital, services, and people. At the same time Part VII of the Treaty, comprising varied domains of Polish-EU economic cooperation, also took effect. Since the beginning of the 1990s Poland has been the recipient o financial aid from the Community under the so-called PHARE [Economic Reconstruction Aid for Poland and Hungary] program, which grants funds for, principally, technical assistance, i.e., counseling, assessment studies, etc. In recent years the nature of this aid has been clearly evolving. Among other things, it became possible to utilize the allocated funds to finance investment outlays. At their Copenhagen Summit the member countries of the Community created the possibility of utilizing up to 15 percent (currently up to 25 percent) of the annual PHARE funding for investment-oriented support of infrastructural growth. The objective is to mesh aid by the EU with the Community's internal structural programs, including those concerning regional development, assistance for small and medium businesses, and also to promote Poland's inclusion in the program for creating trans-European (road, rail, telecommunications, energy) networks.

Support for Poland as a EU associate is, under the Treaty, also to extend to the solution of macroeconomic problems, that is, to the restructuring of the Polish economy, macroeconomic stabilization, and ultimately full convertibility of the zloty and improvements in the balance of payments. This last factor, ensuing from the weakness of the structure of our exports, is linked to the need to improve access to EU market for the export goods in which Poland specializes. Also desirable is greater influx of direct investments which, first, could promote the restructuring of the Polish economy, second, could contribute to improving the quality and competitiveness of our merchandise, and, third, would, through increased exports, improve our balance of trade.

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It can be expected that the capital influx needed for a rapid growth of the Polish economy will be intensified owing to our associate status with the EU which, as demonstrated by the example of member countries, contributes to improving the image of our country in the eyes of investors.

Once the European Treaty took effect, a 10-year transition period divided into two stages also commenced to apply. Thus, the effective dates of obligations (especially those concerning domains other than trade, which is regulated in the Interim Agreement) for both the Community and the Polish side were specified. That is because the scope of the matters covered by the Treaty is definitely larger than that of the provisions of the Agreement.

Liberalization of Domains Other Than Trade

While the solutions adopted regarding trade in Polish-EU relations provide for far-reaching integration, the provisions concerning other domains of cooperation are much more modest. The European Treaty affords limited possibilities for the access of Polish manpower to the territory of the Community. Under the pertinent provisions, Polish citizens who are legally employed in the EU as well as citizens of EU member countries who are legally employed in Poland will not be discriminated against owing to their citizenship as compared with local citizens with regard to working conditions, pay, or layoff. The nearest family members (spouses and children) of legally employed citizens (with the exception of seasonal workers and those employed on the basis of bilateral agreements, unless those agreements specify otherwise) will have access to the labor market of the other side during the period of their legal employment. The implementation of these provisions will depend on the situation and conditions in each EU member country and in Poland.

During the second stage of the association, i.e., five years after the effective date of the Treaty, the Association Council will reconsider the issue of streamlining the [cross-border] flow of workers on taking into account Poland's socioeconomic situation and its needs as well as the employment situation within the Community. To this end, the Council will issue suitable recommendations.

The European Treaty also contains provisions defining the conditions for the establishment of businesses; they also define the establishment of subsidiaries, departments, or branches, and for self-employment. Engaging in self-employment does not, however, include the right to seek or accept employment in the local labor market.

When negotiating the Treaty with the European Community the Polish side considered it important to markedly broaden its access to the service market, and in particular to reach an agreement on the conditions for utilizing Polish construction and transportation potential. In both cases this proved highly difficult, even though the principles adopted and described above considerably broaden the opportunities for increasing our exports. A particularly difficult domain for liberalizing proved to be transportation, where many obstacles still bar access to the transportation market of the EU member countries, both for companies operating from Polish territory and even as regards establishing their branches on EC territory. On the other hand, it was possible to include in the Treaty provisions regulating the right to engage in regular business activities not only for enterprises but also for physical individuals. This will facilitate establishing a permanent presence of Polish companies abroad, which nowadays is a prerequisite for effectively reaching foreign markets with our goods and services and exploring new sales opportunities.

Summing up, it should be emphasized that the European Treaty is introducing many new aspects into the association agreements concluded between the EU countries and other countries. It not only establishes association status but also mentions future membership of associated countries in the European Union. The European Treaty is to some extent modeled on the Treaty of Rome, although in many respects it treats in a cursory manner the problems regulated by the latter treaty. The issues it resolves to the greatest extent are those concerning trade in industrial products, and to a smaller extent trade in agricultural products as well as such issues as capital flow, establishment of enterprises, provision of services, rules of competition, etc. On the whole, the experience so far, and in particular the dynamics of integrative processes, is laying good foundations for Poland's attainment of membership in the European Union in the not too distant future.

Trade Between Poland and the European Community (in Millions of Dollars)

	Imports	Exports
1989	3,609.4	4,316.4
1990	4,484.2	6,765.5
1991	7,835.5	8,284.9
1992	8,446.2	7,632.2

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	Imports	Exports
1993	10,784.5	8,950.9
1994	11,475.7	8,913.9

Source: Main Statistical Administration

Tariff Reduction Policy in 1995-2000 Viewed

WS0310100395 Warsaw GAZETA SWIATECZNA in Polish 30 Sep-1 Oct 95 p 20

[Article by Jacek Pawlicki: "Tariff Policy for 1995-2000; Farewell to Tariffs"]

[FBIS Translated Text] *Due to tariff reductions and custom-free quotas envisioned for 1995, the budget will receive 2.1 billion zlotys [Z] less than a year ago. This amount will be sufficient for supporters of state protectionism to start raising a hue and cry.*

Although none of the major political forces (with the exception of the Polish Peasant Party) have any great reservations about the liberalization course that has been chosen, now and then one can hear opinions about possible negative consequences of the opening up to the world.

Until the presentation of the "Information on Polish Tariff Policy in 1995-2000," approved by the finance minister, no one tried to calculate the "losses" caused by the liberalization of the market. There was only talk about the advantages of economic integration with the Western world.

The hypothetical Z2.1 billion may become an introduction to such a discussion.

The Finance Ministry recalls that the projected fall in the average tariff rate in Poland will be between 10.76 percent and 5.03 percent in the years 1995-2000. The ministry's experts stress that in EU and OECD countries (and we want to become members of these organizations) "tariffs in the nonagricultural sector are not an instrument for fiscal policy and for providing money to the budget."

Deputy Prime Minister Kolodko claims that the tariff-reduction policy is to help lower inflation. According to him, tariff reductions do not necessarily mean smaller revenues for the budget because they will be offset by greater revenues from the VAT [value-added tax] and from the income tax in trade and production firms.

The government concedes that its economic priorities are membership in the WTO [World Trade Organization] and implementation of bilateral agreements on free trade with the countries of the EU, the Central European Free Trade Association [CEFTA], and the European Free Trade Association. These accords envision a gradual reduction of tariffs and, after seven years, a complete opening of the market.

The schedule of the reductions is not to be changed: Beginning in early 1999, import of all industrial goods from the EU, with the exception of automobiles, will be custom-free. A year earlier we will open up to products from CEFTA states (the Czech Republic, Slovakia, Slovenia, Hungary). Starting in January 2002, the import of automobiles will also be custom-free.

GATT makes it impossible to tamper with tariffs. The authors of the information point out that "the government's autonomy in the area of tariff protectionism has been limited." What may help the government curb imports are the restructuring clauses, which make it possible to raise tariffs in the sectors that are getting ready for competition with Europe. However, the partners must be consulted on each such increase, and, if they do not give their consent, one must count on the necessity of making payments to offset their losses.

Taipei, Warsaw Trade Symposium Opens on 2 Oct

OW0310030395 Taipei CNA in English 0210 GMT 3 Oct 95

[By Maubo Chang]

[FBIS Transcribed Text] Warsaw, Oct. 2 (CNA)—Republic of China [ROC] Economic Affairs Minister P.K. Chiang encouraged Taiwan's textile, electronics and shoe-making industries to invest in Poland and help to create more jobs in the eastern European country.

Chiang said Monday [2 October] at the opening of the ROC-Poland investment and trading symposium that it was his second trip to Poland. He said he was impressed by Poland's economic reforms since his first trip here four years ago.

With its rich natural resources and healthy economic performance, Poland is an ideal investment environment for Taiwan companies, Chiang said.

Jeffrey Koo, chairman of the Chinese National Association of Industry and Commerce, suggested out at the symposium that Poland should work harder to stabilize its political environment in order to draw long-term foreign investment, which would help to solve the unemployment problem Poland faces.

More than one-hundred officials and businessmen from both countries took part in the symposium, which was held at the Marriott Hotel of Warsaw.

According to the latest statistics, bilateral trade between the ROC and Poland stood at US$329 million in

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1994. Taiwan exported US$167 million worth of goods to Poland and imported US$161 million, positioning Taiwan as Poland's 3rd biggest trading partner in Asia.

After the opening of the symposium, Chiang and Koo, accompanied by ROC Representative to Warsaw Augustine C.T. Wu, met with Poland's Vice Finance Minister K. Kalicki [spelling of name as received] to exchange views on ways to improve two-way trade and investment.

After the meeting, Chiang said that Taiwan has completed the first round of talks with Poland for an agreement to avoid double taxation. The accord is expected to take effect by the end of this year after the completion of the second round of talks.

Chiang will meet Poland's commerce and industry minister and other economic officials Tuesday before leaving for Prague.

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U.S. Calculations Seen Behind Iliescu Visit

AU0210161495 Bucharest EVENIMENTUL ZILEI in Romanian 25, 26, 27 Sep 95

[Editorial in three installments by Ion Cristoiu: "Ion Iliescu's Visit to the United States"]

[25 Sep p 1]

[FBIS Translated Excerpt]

An Event That Raises Many Questions

Ion Iliescu's official visit to the United States begins today. The climax of the visit will certainly be the meeting at the White House between Ion Iliescu and Bill Clinton. An army of Romanian journalists is accompanying the head of the Romanian state on his travels in America. [passage omitted]

There is no doubt that the first and most difficult question about the visit regards the American side. Although Iliescu has been angling for about five years for an invitation to the White House as the quest of a U.S. president, Washington has put him off with unbelievable obstinacy. Why have the Americans now agreed to make Iliescu's dream come true? In one of the many interviews devoted to the visit, Alfred Moses, the U.S. ambassador to Romania, gave an answer that, instead of enlightening us, confuses us even more. The ambassador said that the decision to arrange the meeting "reflects a consensus that can be observed in the United States that the time is now appropriate for President Iliescu to meet with President Clinton in Washington." Why is now the appropriate time? Why was it not, let us say, last year? Or why is it not going to be in one year's time? The pen pushers at the Cotroceni [presidency] could answer in chorus, waving their pens in the air like banners at a communist rally: Because the U.S. Administration has finally realized that Iliescu's Romania is a paradise of democracy and the market economy! As a result—some would be tempted to believe—the visit could be interpreted as an American blessing for the domestic policy pursued by the presidency, PDSR [Social Democracy Party of Romania], and government. Such a triumphant interpretation, which I am sure the leadership's propaganda will try to convey, seems to me to conflict with reality.

[26 Sep p 1]

[FBIS Translated Text]

An Event That Almost Exclusively Follows the White House's Calculations

In the previous installment of my editorial, I was saying that it was a mistake to consider Iliescu's visit to the United States an expression of American enchantment with the Romania's progress on the road of democracy and the market economy compared with the previous period. Romania today is no more democratic than it was last year. On the contrary, I could say that a number of domestic events suggest that 1995 does not represent progress on the path of democracy and market economy compared with previous years. The deal between the PDSR and the nationalist-communist parties continues to have a serious impact on the reform process. The confusion at the level of the leadership is greater than ever. While Iliescu was preparing to leave for America, his ally Ilie Verdet was declaring NATO a bankrupt organization. Another reason that we cannot claim that the Iliescu-Clinton meeting is American blessing for the domestic situation in Romania is that the event was arranged by the White House with an obvious concern not to contradict the bad image Iliescu's regime has in the United States. No matter how many intellectual calculations the supporters of Cotroceni make, it is clear that, regarding protocol, Bill Clinton insisted on differentiating between Iliescu and other leaders from the east. The fact that the Romanian president does not enjoy the welcome gestures that presidents of other countries of the former communist area enjoyed says everything about the White House's concern to ensure against possible criticism that the meeting might be interpreted as blessing for the domestic situation in Romania.

As is known, in America foreign policy is one of the fields in which the president has a decisive say. It is clear therefore that, although Ambassador Moses speaks about consensus, it was the White House that considered that this was the appropriate moment for the meeting. And thus, the explanation for the surprising American goodwill must be sought not in an assessment of Romania's domestic policy but in some foreign policy calculations of the United States, a foreign policy that, as I said, is President Clinton's prerogative. And, as experience shows, the U.S. Administration's policy towards a particular regime is not always governed exclusively by how the level of democracy in the respective regime is assessed. There have been many cases when, despite foreign policy calculations, the White House has shown extreme goodwill toward even dictatorial regimes. The attitude toward [former Romanian president] Ceausescu is an excellent example. Therefore, the fact that a leader is received at the White House does not automatically mean that his country is considered a area of the highest pinnacles of democracy. [Moldovan] President Mircea Snegur—to cite a more recent example—was Clinton's guest before Iliescu. If Snegur's Moldova is more democratic than Iliescu's

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Romania, I am ready to devour it starting with the Prut River!

Strange as it may seem, the theory that the Iliescu-Clinton meeting is a sign of American blessing for the situation in Romania is supported not only by the pen pushers at Cotroceni, but also by independent journalists and politicians who belong to the opposition. They claim that the Americans have been duped about the realities in Romania by the skilful maneuvers of those in power. In support of this, they cite some of the moves made by Iliescu recently, moves that remind one of the liberalism that came over Nicolae Ceausescu before a meeting with an important Western leader. Some of these moves are: the initiative for the historic Romanian-Hungarian reconciliation process, the approval for a white paper on the Securitate to be published by the Romanian Intelligence Service, a volume in which the president's nationalist-communist political friends are portrayed in quite a compromising light, and the flexibility on the issue of returning assets that used to belong to the Jewish community. Proceeding from these gestures, some journalists and politicians are striving to show that President Iliescu's export policy has succeeded, as did Ceausescu's, in creating at the White House a false image about the Romanian president's western, democratic convictions. This is an interesting theory, but it does not stand the simplest confrontation with reality.

[27 Sep p 1]

[FBIS Translated Text]

Romania: Part of a Stripe of American Influence in Eastern Europe

There are no grounds for the theory that the reason for the surprising goodwill shown by the White House toward President Iliescu is that the Cotroceni achieved it by trickery. First, because, as experience has shown, the White House is not at all naive about the internal situation in a particular country. Romania is no exception. If we look carefully at the statements by the U.S. ambassador to Romania in the period preceding the visit, we will see that he is well aware of the Iliescu regime's shortfalls in the area of democracy and market economy. It is just that, as one can clearly see from his interviews, he places those shortfalls in parentheses. Likewise, it is not without significance that, according to Iliescu's statement after yesterday's [26 September] meeting with Clinton, the domestic political situation in Romania was not broached in the talks in any way. Second, the Ceausescu case itself shows that American goodwill towards some regimes whose pluralism is doubtful is not caused by a false image about those regimes. The American leaders, like all western leaders, supported Ceausescu not because the former Romanian leader succeeded in presenting himself as a liberal, but because they needed him within the global strategy of deepening the cracks in the communist bloc. Ceausescu's vanity had to be stroked, both by closing an eye to his dictatorial regime, as well as by the spectacular protocol organized during his visits abroad. As the documents that emerged after 1989 show us, it was not Ceausescu who was manipulating the Americans, but the other way around. They were manipulating him, counting on his vanity. A similar policy is pursued towards the leaders of the former Soviet republics. Certainly, the White House is dancing to Boris Yeltsin's tune. But, at the same time, it strives to encourage the leaders of the former Soviet Republics in their endeavors toward independence. This is part of the White House's tactics, just like the massive aid granted to such countries as Ukraine and Moldova and the invitation to some presidents like Mircea Snegur to the White House.

It is clear therefore that the appropriate time about which Ambassador Moses talks regarding the Iliescu-Clinton meeting is the result of foreign policy calculations regarding Romania. What are these calculations? The answer can be found in one of the U.S. ambassador's interviews when he said: "Romania is a big country, a stable country. Currently it is the anchor of southern Europe, in this way playing the role that Poland plays in northern central Europe. Both Romania and Poland are firmly engaged in security, economic, and political relations with the West. Romania serves as an element of stability in the whole region (...) Yes, I believe that Romania occupies a strategic position from a geographic point of view, and this is important for relations between the two countries." (the United States and Romania—editor's note). It is clear from this statement that America counts on Romania as a bridgehead in this region of Europe.

To reach such a conclusion the following attributes of Romania have been carefully studied: it is the largest country in the area; it is a stable country; it has an advanced position as a spur towards the Russian and even the Islamic area.

America's traditional ally in this region has always been Turkey. For the sake of this role played by Turkey, the White House has always overlooked Ankara's shortcomings in democracy, and a number of foreign policy actions, such as the military campaign against the Kurds on Iraqi territory. It is just that in America's calculations Turkey is threatened by instability. The Kurdish problem might become complicated at any moment. Likewise, Turkey could fall prey, like other American allies in the east, to the chaos provoked by

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Islamic fundamentalism. Therefore, in the American Administration's strategy, Romania could become—if we can say so—an additional ally in this region.

However, every honest person asks how the Americans can accept this role for Iliescu's Romania and not for another president. This question is quite natural if we think of the prudence the Americans have shown toward the Romanian president. The answer should be sought in the whole conjuncture. First, the U.S. Administration seems to have realized the difficulty of finding a real alternative to Iliescu. Ambassador Moses suggested this, saying in one of his statements that the correctness of the 1992 elections is no longer in doubt, as was the case with the 1990 elections. In other words, the Americans had no choice, seeing the two elections won by Iliescu. Second, being realistic, we can assume that through channels kept far from the public's eyes, Iliescu has sent Washington enough signals of his desire to make Romania an ally of America in this part of the world. In this respect, it is sufficient to think of the excellent relations Romania has with America in the military field.

The most difficult question that arises in this connection is the following: what role does the White House intend to give Romania as a trustworthy ally in this region? One possible answer is contained in Iliescu's statement at the Romanian Embassy in Washington: if you like, there is a main line in the center of Europe: to the north is Poland, in the center Romania, and to the South Turkey (...)." While President Iliescu is famous for empty talk, I do not think that he would allow himself to venture crazy ideas loudly. Adding to the aforementioned statement the insistence contained in all the president's statements on Romania's privileged relations with the United States, one can clearly see that the Romanian president expresses what the Americans, out of diplomatic prudence, only leave to be understood. Thus, Romania could be included in American calculations, being part of a stripe—not to call it a sphere—of U.S. influence in eastern Europe, a stripe stretching from Poland to Turkey. In the White House's calculations, this American fortification could solve several strategic problems. First, it would constitute a disguised eastward expansion of NATO. It is known that Moscow violently disputes NATO eastward expansion. If we follow the Kremlin leader's statements carefully, we can see that this position has several nuances that have been missed by political observers. One reason for rejecting NATO expansion to the east is to be found in the negative connotation that the name NATO has in the eyes of Russia's population. For almost half a century, those people acted according to the propaganda that NATO is the Russian people's enemy number one. One could assume that this reaction of the population to reject NATO will no longer function in case of a stripe of American influence. What is important is that this stripe is not called NATO! Of similar importance is the fact that Moscow is opposing the intention to expand NATO not so much out of fear that the former communist countries might come under the Western umbrella, as out of concern for the process not to include some of the former Soviet republics: Ukraine and the Baltic states. It is not only the traditional Russian fear of being encircled that is at work here but the Kremlin's obsession with the Russian speaking population in the former republics. Second, the establishment of this type of fortification is not only meant to be an American obstruction in the path of the Russian and Islamic expansion, but it also involves certain American interests in relations with western Europe. Many events recently have revealed the White House's preoccupation with countering the huge economic force that a united Europe would represent. The stripe of American influence in the Eastern part of the continent, a stripe to which Romania would also belong, could constitute a means for the United States to control the commercial flow between a united Europe and the area beyond eastern Europe. One should also mention that, from this viewpoint, America is much more favorably inclined toward Romania than western Europe has been lately. While European bodies make a big fuss about our domestic situation, the White House could allow itself to keep silent about it. Thus, America's growing smile towards Bucharest might be considered as a subtle gesture disputing western Europe's position.

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Drnovsek Discusses Embargo With Butrus-Ghali

AU0310104095 Ljubljana Radio Slovenia Network in Slovene 2100 GMT 2 Oct 95

[FBIS Translated Text] Slovenia's position has strengthened, and its reputation is also growing in the United Nations, which was demonstrated in today's talks with UN Secretary General Dr. Butrus-Ghali, Prime Minister Dr. Drnovsek said in a brief statement for reporters after the meeting in the UN palace in New York.

In the talks with Slovene Prime Minister Drnovsek, which were also attended by Foreign Minister Thaler, the UN secretary general was interested in the prime minister's opinion about some of the most pressing issues, concerning primarily the financing of the international organization, peace operations, and ways of securing peacekeeping troops for Bosnia-Herzegovina.

They also discussed some issues connected with Slovenia, where Drnovsek exposed the problem of the arms embargo and informed the secretary general about the development of relations with Italy and Croatia. It is envisaged that the secretary general will visit Slovenia next year.

The prime minister also said in New York today that he would most probably meet with U.S. President Bill Clinton on 22 October.

Russian Finance Minister, Gaspari Discuss Debt

AU3009153995 Ljubljana Radio Slovenia Network in Slovene 1430 GMT 29 Sep 95

[Report on a news conference by Russian Finance Minister Vladimir Panskov and Slovene Finance Minister Mitja Gaspari in Ljubljana on 29 September by Tomaz Gerden—recorded; Panskov speaks in Russian, with superimposed translation into Slovene]

[FBIS Translated Text] [Gerden] The visit of Russian Finance Minister Vladimir Panskov is the highest visit of any Russian politician in Slovenia this year. Slovenia and the Russian Federation maintain good political relations; however, economic cooperation is progressing too slowly. For that reason, Russia and Slovenia signed an agreement on the prevention of double taxation. Minister Panskov emphasized:

[Panskov] This agreement will create better conditions for the Slovene companies on the Russian market and vice versa. Both countries are also preparing an agreement on protection of foreign investments. As the Russian finance minister said, they discussed extensively with Slovene officials, among whom was also Janko Dezelak, minister of economic relations and development, the repayment of the debts of the former Soviet Union. As the legal successor of the disintegrated state, Russia is wiling to pay all debts, however, only when the final divisional statement of accounts of the former Yugoslavia is known.

[Gaspari] Minister Gaspari said that the expert teams of both countries would cooperate in this sphere and regulate whatever can be regulated, namely, repayment of convertible currency debts of the Russian companies to the Slovene companies and repayment of debts of the Slovene companies to the Russian commercial banks. Minister Gaspari placed a special emphasis on clearing.

[Gaspari] Clearing, of course, remains the most sensitive issue. In the next stage we will try to clarify the empirical matters, that is, the data-related issues that remained. We will also try to agree on some principles on the basis of which we could then commence talks on division of this debt among the individual republics of the former Yugoslavia, as the creditors.

[Gerden] Slovenia is not opposed to the idea of a meeting of all national banks of the former Yugoslav republics. However, as he said:

[Gaspari] In this case our precondition is that the National Bank of Yugoslavia, which is not the legal successor of the former National Bank of Yugoslavia, appears with the same rights and obligations as all other participants—central banks of other countries on the territory of the former SFRY.

[Gerden] Let us also add that Minister Panskov denied having any sort of mediating role in the dispute about the division of the former Yugoslav assets. After the visit to Slovenia, the Russian delegation will also travel to Croatia.

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Federal

Army Arrests Expected After Losses in Bosnia

LD2909121995 Belgrade SRNA in Serbo-Croatian 1035 GMT 29 Sep 95

[FBIS Translated Text] Banja Luka, 29 Sep (SRNA-BETA)—Serb military sources in Banja Luka confirmed today that the military authorities are carrying out an extensive investigation in connection with the responsibility for the loss of towns and territory in western Bosnia.

"The investigation is under way but I am not aware of any senior officers having been arrested so far," a Serb officer who wanted to remain anonymous told the BETA agency.

BETA's source says that Ratko Mladic, commander of the main staff of the Serb Republic Army, after returning to Banja Luka from Belgrade last week where he underwent medical treatment, began in an intensive way to organize the defenses and sent his most senior officers to the front lines.

"One should expect there to be arrests because it is quite logical that someone must be held responsible for all this. I believe this will happen soon," the Serb officer said.

A detailed investigation, BETA has learned, is being carried out into the arbitrary abandonment of positions by individual units.

The biggest problem was with the Posavina Brigade which held positions on the central part of the front south of Banja Luka, between Sipovo and Kljuc.

This unit was near Mount Vitorog and Mliniste and began to abandon its positions before the Muslim-Croat offensive had gathered momentum. Its HQS failed to heed the orders of General Manojlo Milovanovic, chief of the general staff, to remain in place.

After the Posavina Brigade withdrew, the Croat-Muslim forces penetrated into an area extending about 20 km across, and from one flank attacked Sipovo. There was panic in the town. Civilians began to flee, and soldiers, mainly people from this region, rushed to help their families to leave the endangered area as soon as possible.

The front lines, by this act alone, were thinned out and the Muslim-Croat forces were easily able to advance.

News of the arrogant behavior of individual units in western Bosnia also came in from other parts of western Bosnia, from refugees who were arriving in Banja Luka. "So on the front line itself nasty things happened. Something has to change and someone must be held responsible," BETA's source says.

Air Force Suffers From Sanctions, Lack of Funds

AU0210121095 Novi Sad DNEVNIK in Serbo-Croatian 28 Sep 95 p 5

[Article by Milan Bozokin: "Flying With Risk"]

[FBIS Translated Text] A military aircraft of the Yugoslav Air Force crashed on Tuesday [26 Sep] over Sumarice, in the Kragujevac part of town, during a training flight. The aircraft damaged one house; the pilot, Ivica Zivkovic, was killed. This is the second time in last year that a military aircraft has crashed over Sumarice. On 15 July last year, pilots from Ladjevac managed with great difficulty to steer a G-4 aircraft so it fell outside the village, and they themselves ejected at a very low altitude. One of the pilots, who landed in a schoolyard, got through without injuries, whereas the other, who landed on a stockroom of concrete blocks, was injured.

The details of this latest military aircraft accident have not been published, nor has the type of the aircraft been mentioned. According to eye-witnesses, the aircraft came from the direction of Kraljevo, flew at a very low altitude, and then started spinning in flight. The pilot seemed to have tried to steer the plane so that it fell outside the village, and save himself by ejecting. Unfortunately, he was not able to do that. An investigation commission has already started investigating the details of this accident.

The Black Chronicle Has Stopped

Judging by eye-witness accounts, if the plane came from the direction of Kraljevo, most probably it was one of the G-4 military aircraft. Precisely those planes are based at Ladjevci airport near Kraljevo. That airport has become a new flying base of the Yugoslav Air Force after the withdrawal of the former Yugoslav People's Army [JNA] from the former Yugoslav republics. The crash of one military plane is, of course, not a sign for alarm. Such accidents happen in all air forces in the world, but they always excite public interest. This accident happened at a time when it was believed that the black wave of accidents in the Yugoslav Air Force had stopped. In the last two and a half years alone, the Air Force and Anti-Aircraft Defense lost around 10 aircraft. The year 1993, when six military planes and helicopters crashed, was particularly bad. Last year the Yugoslav Army aviation lost three MiG 21s and one "Super Galeb" (G-4).

What causes the Yugoslav Army aircraft to crash, and how capable of defending Yugoslavia's skies these

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aircraft are—that is the question that arises after each crash. The public is additionally confused by the fact that the Air Force Command mostly does not react in time, that while expert groups are usually set up to investigate the causes of accidents, as a rule, they never publish their findings. That is what breeds rumors in the first place.

Of course, there is no universal cause for these accidents. Sometimes it is the human element, sometimes technical reasons, and sometimes complex weather conditions and tasks that have to be carried out. Even before the war and the sanctions, when the conditions under which the JNA pilots lived and worked were much better, there were between 10 and 15 smaller and bigger accidents a year. But, in those time that was normal, even under the European and world average.

Last year, the three summer months were critical for the Yugoslav Air Force; Ponikve military airport, near Uzice, where the unit of supersonic MiG-21s found its new base after it left Bihac, lost three of these powerful, although somewhat outdated Russian planes. At the beginning of June, during night training, two MiGs collided over Bijelo Polje. On that occasion, the pilot, Sinisa Sladojevic, was killed, and the other pilot, Srecko Jeremic, ejected to safety. According to what could be heard, the mistake was made by Sladojevic, whose plane scratched Jeremic's.

The latest tragedy of last year happened on 24 August in the vicinity of Uzice. It was once again a MiG-21 from Ponikve, and the pilot, Nenad Sakotic, was killed. The causes of the accident are still being investigated.

Few Flying Hours

These black statistics, although shocking, do not cause much excitement among the pilots. In our conditions, there is a whole number of additional reasons that influence the occurrence of such events. In first place, there are the sanctions and the lack of opportunies to acquire new aircraft and spare parts for the existing ones, which are almost past their expiry date. A part of the fleet, mostly the fighter aircraft, are very worn, and precisely they are the ones that fly most in the case of threats.

On his last meeting with journalists, on the Day of the Air Force and Anti-Aircraft Defense (24 December), the commander of this branch of the Yugoslav Army, General Lieutenant-Colonel Ljubisa Veliskovic, complained that both the Air Force and the Anti-Aircraft Defense, as a technical branch of the Yugoslav Army, had suffered most from the sanctions, in the first place because of the lack of fuel and the inability to import spare parts. Because of that situation, the flying hours of pilots were reduced by 8 to 10 percent in comparison with earlier periods. For example, in the West, a fighter pilot spends 200 to 300 hours a year in the air, whereas our pilots have 80 hours at most. They mostly practice on the ground, in simulators, because there is no money for flights.

The Air Force, like the whole Yugoslav Army, shares the fate of society worn out by low wages, housing problems, and numerous tensions. True, that is not connected with specific accidents, but it has a lot to do with what happens in the head of every individual, including pilots, who has to sit in the aircraft with perfect concentration and tranquility. In a job as risky as a pilot's, a small mistake is paid for with one's life.

Chamber of Commerce Considers Aid to Refugees

95BA0343A Belgrade EKONOMSKA POLITIKA in Serbo-Croatian 21 Aug 95 p 18

[Article by D. N.: "When They Are Left Without Tractors"]

[FBIS Translated Text] The board of directors of the Yugoslav Chamber of Commerce devoted a special meeting to the problems of accepting displaced persons, estimating that about 200,000 of them would arrive in Yugoslavia. According to Milutin Cirovic, a better prepared and more organized reception will be given to a new wave of refugees after four years of practice, but, as Dragan Markovic said, these are a new kind of refugees. Before now the refugees arrived on buses with suitcases and bundles of the basic necessities, but now they are arriving on tractors with some household goods and the intention of staying permanently. The problems will be considerably greater if the tractors change owners quickly, Markovic said. The already exhausted and impoverished economy is being presented with an obligation that it will have to fulfill, because the main burden of caring for the refugees, temporarily or permanently, will fall on the economy. Everyone supported this observation by Mihajlo Milojevic, president of the Chamber, with comments that more refugees could be expected and reports that in Bosnia, Slavonia, and Baranja, families had already packed for a one-way trip.

Leaving it to the politicians at the national level to do their job regarding the refugees, the businessmen agreed on what additional commitments they would assume to help the refugees while keeping the economy functional. An appeal is being addressed to all producers, especially the food industry, to increase production if at all possible and not to allow shortages. It is being proposed that a balance sheet be drawn up for food and other vital necessities, along with a method of financing, and that a

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production plan be drawn up for all sectors of the economy on the basis of those balance sheets. It is essential to provide more energy, both for the transportation of the displaced persons and also for goods for humanitarian assistance. The liquid fuel balances have already been disrupted, the fall agricultural work is coming up, and winter is approaching. Imports of energy for humanitarian purposes should be sought immediately.

The chamber is proposing that one day's earnings by employees be set aside for aid, and that the possibility of introducing a permanent contribution for refugees be considered. The businessmen will undertake recording houses for lodging, the organized sending of refugees to abandoned areas, the construction of prefabricated housing, and similar actions together with state authorities. The idea of having refugees capable of work given jobs as soon as possible, for instance gathering fruit and all the fall agricultural work, and temporarily employed, and furthermore exempted from taxes and contributions, requires the adoption of special regulations, and the businessmen are requesting that measures be incorporated through the economic system that will assist more rapid implementation of similar initiatives.

It is significant that most of the businessmen do not see and do not mention a solution to the refugees' troubles with the idea of people returning to the areas from which they fled. Only Srboljub Vasovic spoke about how the state urgently had to do everything possible on the international level to have the refugees returned to their property and homes, with 100-percent guarantees of a peaceful and safe life.

Serbia

Milosevic, Holbrooke Continue Peace Talks

LD0310132695 Belgrade TANJUG Domestic Service in Serbo-Croatian 1253 GMT 3 Oct 95

[FBIS Translated Text] Belgrade, 3 Oct (TANJUG)—Serbian President Slobodan Milosevic received in Belgrade today, Richard Holbrooke, head of the U.S. negotiating team for former Yugoslavia .

Holbrooke arrived in Belgrade following a visit to Sarajevo yesterday and a visit to Zagreb this morning, for the continuation of talks on further steps in resolving the Yugoslav crisis.

Particular attention in this phase is being paid to a ceasefire as a condition for the further successful continuation of the negotiating process.

Milosevic Favors Normal Relations With FYROM

AU0210214895 Paris AFP in English 2059 GMT 2 Oct 95

[FBIS Transcribed Excerpt] Belgrade, Oct 2 (AFP)—Serbian President Slobodan Milosevic on Monday [2 October] said he favoured "full normalisation" of relations between Belgrade and Skopje in a meeting with his Macedonian counterpart, the Serbian presidency said.

Milosevic added he favoured "full normalisation" of relations between Macedonia [The Former Yugoslav Republic of Macedonia—FYROM] and Greece as well as between Yugoslavia and Macedonia.

This development would help stablise the Balkans and increase regional cooperation in the European integration process, Milosevic said.

"It is essential to reach mutual recognition and the establishment of full diplomatic relations between the republic of Macedonia and the FRY (Federal Republic of Yugoslavia)," Macedonian President Kiro Gligorov said on returning to Skopje Monday.

He said an agreement should be reached in November, following the conclusion of a peace agreement in Bosnia-Herzegovina, which he said should be sealed at the end of October.

Monday's visit was Gligorov's first visit to rump Yugoslavia since Macedonia declared independence from the former Yugoslavia in 1991.

So far Macedonia and rump Yugoslavia have not recognised each other. [passage omitted]

Zagreb TV Comments on Talks

LD0210194695 Zagreb HTV Television in Serbo-Croatian 1830 GMT 2 Oct 95

[FBIS Translated Excerpt] Macedonian and Serbian Presidents, Kiro Gligorov and Slobodan Milosevic respectively, had official talks for the first time after the breakup of the SFRY near Belgrade today.

[Correspondent] In the course of the meeting that took place at Milosevic's invitation, the two sides examined the situation in the region and open issues of bilateral relations. [passage omitted]

It has been said in Belgrade that a deal between Milosevic and Gligorov exists that Macedonia [The Former Yugoslav Republic of Macedonia—FYROM], because of the profit it earned by bypassing the embargo against the Federal Republic of Yugoslavia, should agree to become the third former member of the SFRY, which will grant the Serb-Montenegrin federation the

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right to succession [to the former SFRY's assets], which has allegedly been suggested by Holbrooke at Milosevic's request—all in the name of peace.

Statement on Talks Issued

LD0210165195 Belgrade TANJUG Domestic Service in Serbo-Croatian 1605 GMT 2 Oct 95

[FBIS Translated Text] Belgrade, 2 Oct (TANJUG)—Serbian President Slobodan Milosevic and Macedonian [The Former Yugoslav Republic of Macedonia—FYROM] President Kiro Gligorov met in Belgrade today.

Their lengthy and open talks encompassed the current issues of the political situation in the region and issues of interest for the future development of mutual relations and cooperation.

President Milosevic stressed that a recent agreement between Athens and Skopje undoubtedly contributed to the positive development of the political situation in the region. He stressed that such positive development of the political situation in the region gave an impetus to the full normalization of the Belgrade-Skopje and Skopje-Athens relations, which should be achieved as soon as possible—being an important factor of stability of the political situation in the Balkans, and an example of good-neighborly relations and comprehensive cooperation, which are an integral part of not only regional, but also European processes of integration.

Milan Milutinovic, Yugoslav foreign affairs minister also took part in the talks.

Russian Duma Delegation Briefed on Refugees

LD0210170795 Belgrade TANJUG in English 1623 GMT 2 Oct 95

[FBIS Transcribed Text] Belgrade, Oct 2 (TANJUG)—Commissioner for Refugees of the Republic of Serbia Bratislava Morina acquainted on Monday a delegation of the state Duma of the Russian Federation with the difficult humanitarian situation in the caring for 680,000 refugees accommmodated in the territory of Serbia.

The Government of Serbia and the commissioner's office have already had difficulties in the caring for half a million refugees, whereas, with the arrival of 180,000 more expelled, following Croatia's August aggression against the Republic of Serb Krajina (RSK) the situation is even more difficult, said Morina to the Russian parliamentary delegation.

Morina stressed the urgent need to supply fuels and materials for the construction of settlements for the permanent accommodation of refugees.

The Duma representatives received the lists, made by the government and the commissioner's office, of the urgent needs for caring for the expelled from the RSK.

To the Russian delegation, headed by president of the state Duma Committee for International Affairs Aleksey Mitrofanov, Morina expressed gratitude for the hitherto extended humanitarian assistance, and especially for the passing of a law on extending humanitarian assistance to refugees in the territory of Yugoslavia.

Marjanovic Denies Knowledge of Government Shuffle

AU0210184295 Belgrade NASA BORBA in Serbo-Croatian 2 Oct 95 p 16

[Report by BETA: "I Know Nothing About the Government Reshuffle"]

[FBIS Translated Text] Belgrade—Serbian Prime Minister Mirko Marjanovic has stated for the BETA agency that "he does not know anything about the government reshuffle." "There is talk about it, but I do not know anything," Marjanovic said during his visit to the Institute for Corn in Zemun Polje to mark the anniversary of the institution. Marjanovic said that governments are reshuffled when "governments are not satisfactory" or when political parties come to an agreement to that effect. "This government has been satisfactory, and I do not know anything about party agreement," Marjanovic said. Asked whether any of the leading people from the Serbian Renewal Movement would become information minister, the Serbian prime minister said that the right to a ministerial chair had to be won at the elections.

Lack of Money, Strikes Paralyze Arms Manufacturer

AU2909115695 Belgrade NASA BORBA in Serbo-Croatian 28 Sep 95 p 7

[Article by Z. Radovanovic: "'Cartridge' Costs 20 Dinars Alone"]

[FBIS Translated Excerpt] Kragujevac—As announced, about 7,000 workers of the Kragujevac "arms manufacturer," that is, the employees of the Zastava-Namenski Proizvodi [Zastava-Special Purpose Products] yesterday staged a new-old general strike. During the negotiations between the strikers' committee and the management of the firm, which had preceded a work stoppage, the management of the Namenski Proizvodi could not meet the demands of the striking workers, namely to pay them their August salary in full according to the collective pay agreement, to compensate them for the delays in paying out salaries for May, June, and July, and to pay them at least one-third of this year's cash bonuses. The

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management claims that in order to meet these demands, they would need at least 5 million dinars, and that the firm did not have that kind of money in the empty coffers. The workers of the oldest and, until recently, the most reputable firm in Serbia were paid between 10-20 dinars as the second part of the August salary. [passage omitted]

The Zastava management, above all its head Srboljub Vasovic, have recently indicated via "suitable" media that the Namenski Proizvodi has, in fact, had its "legal program" reinstated. In other words, the firm was again given the contract to produce the greatest part of heavy artillery for the needs of the Army of Yugoslavia and for exports. According to him, the trouble is that neither the Zastava, nor the army, nor the state have money to start production for which there is considerable demand. [passage omitted]

Workers Want New Government

AU0210215895 Belgrade NASA BORBA in Serbo-Croatian 30 Sep-1 Oct 95 p 8

[Article by Z. Radovanovic: "If Need Be, We Will March on Belgrade"]

[FBIS Translated Text] Kragujevac—Approximately 4,000 workers of Zastava-Namenski Proizvodi yesterday held a protest rally in front of the assembly building in Kragujevac. They have been on strike since the day before yesterday.

The protest rally started with loud booing addressed at, as stressed, the main culprit of all the troubles of Zastava's weapons factory and its workers, Vukasin Filipovic, director general of Namenski Proizvodi. He did not appear in front of the assembly building yesterday. The mention of the Kragujevac mayor, Zivorad Nesic, also prompted salvos of protests.

Zastava Namenski Poizvodi, better known as the weapons factory with over 140 years of experience, is in an exceptionally serious material and financial position, while its workers are becoming increasingly poor. The republican and federal organs are aware of that. They owe as much as $70 million to the factory. The management of the factory is also aware of all this, as is the Kragujevac mayor, but no concrete programs or solutions have been offered to solve the troubles, Zoran Nedeljkovic, head of the Zastava Namenski Proizvodi trade union, told the workers gathered in the square.

Ruzica Milosavljevic, head of the trade union of the Zastava plant, yesterday stressed that "the chances for work are increasingly slim," and that because of that, the employees of Zastava and Namenski Proizvodi are finding it increasingly difficult to live.

"We have gathered here to warn the public again that the trade union does not accept the falling standard of the workers' living. We want to tell everyone loudly and clearly that we want to work and earn a decent living," Milosavljevic said.

After a one-hour protest, the striking "weapon makers" walked back to the factory's premises (the same way they came to the square). Prior to that, they stopped by the management office building in the very center of town, in front of the Livac monument, and held a one-minute silent protest, warning Director Vukasin Filipovic that they know he is responsible for the deteriorating material and social position of the workers.

Zastava Namenski Proizvodi will not and cannot resume production until all our demands are met. If this meeting does not produce a solution for the demands of the Kragujevac factory workers, we will soon march on Belgrade, the "weapon makers" concluded at the end of the protest rally yesterday.

The general strike by the workers of Namenski Proizvodi continues.

[Box, p 8]

Trade Union of the "Car Factory" Demands Replacement of the Republican Government

In addition to the "weapon makers," the workers of the Zastava-Alati i Masine [tool and machine plant] have also been on strike the past few days. They demand that all of the August salary be paid out according to the collective pay agreement and that Director Dragan Simic be replaced.

The trade union of the largest Zastava plant, the car factory, the day before yesterday sent a letter to the managing board asking for the replacement of Director Miodrag Bogdanovic. The leaders of the car factory's trade union also demand the replacement of the city and the republican governments, as well as Tomislav Banovic, head of the Serbian Confederation of Trade Unions.

[Box, p 8]

Telegrams of Support

The striking Kragujevac "weapon makers" yesterday received a number of telegrams of support from similar companies all over the country. One such telegram came from the leadership of the Confederation of Trade Unions of Serbia, which stated, among other things, that

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the demands of the workers from Namenski Proizvodi were more than justified.

SPS's Minic Views Party, State Priorities

AU0310114195 Belgrade VECERNJE NOVOSTI in Serbo-Croatian 24 Sep 95 pp 2-3

[Interview with Milomir Minic, secretary general of the Socialist Party of Serbia, by Andjelka Popovic; place and date not given: "Let the War Stop and Peace Come"]

[FBIS Translated Excerpt] The Socialist Party of Serbia [SPS] is stronger than ever! The SPS commitment for peace has been acknowledged by the international community, and the world has decided in favor of the peaceful policy of the president of Serbia, Slobodan Milosevic.

The war-mongering parties (Serbian Radical Party, Democratic Party, and Democratic Party of Serbia) have been completely defeated on the domestic political scene, and they no longer represent serious political forces.

Despite the facts, and the people know those facts, political gossip predicts, or rather wishes for, disintegration within the SPS, the fall of the stabilization program; in other words, they predict chaos, and, in that chaos, their coming to power.

Milomir Minic, secretary general of the SPS, talks about all that for VECERNJE NOVOSTI:

[Popovic] What, according to you, are the characteristics of the present political moment and the priorities of our country?

[Minic] There are many priorities, but one is fundamental. That is the decisive and persistent effort to stop the war, to achieve the lifting of the sanctions against our country, and to turn Serbia to development.

On the international plane, a decisive diplomatic breakthrough has been made, coming closer to a peaceful, just and permanent solution of the crisis on the territory of former Bosnia-Herzegovina. The Geneva agreement, which outlined the basic principles of the political solution, has a historical significance for our people and for this region in general.

On the domestic political plane the forces of war have suffered a great defeat by this act. The warmongering parties that incited our people and their leaderships in the Serb Republic and the Republic of Serbian Krajina to choose war instead of peace have been defeated. The forces of peace in Serbia are politically dominant today. There is consensus among the majority of the population of Serbia and Yugoslavia on their policy.

By stopping the NATO bombs and the Muslim-Croat offensive in western Bosnia, all those forces that wish for the continuation and escalation of war with the purpose of creating a permanent crisis area in Europe and in the Balkans as a basis for their arbitrary politics, have been stopped.

[Popovic] You say that the Geneva agreement has historical significance. Is that not a pretentious qualification, and in what way can the historical significance of that agreement be seen?

[Minic] The historical significance of the Geneva agreement comes out of several clear and unambiguous facts. The Serb Republic has been officially recognized through this act by five world powers, five influential states, permanent members of the Security Council, and by the Muslim and Croat sides. Serbian people, for the first time in history, have been given the right to constitute their state on the left side of the Drina and to join the motherland, which opens perspectives for the integration of the Serbian people, and the strengthening of their cultural and national identity and unity. That verified the just struggle of our people and, with diplomatic, political means created a realistic basis for the war and bloodshed in this region to be stopped. The Geneva agreement is a big turning point in the solution of the Yugoslav crisis, which is reflected first of all in the stopping of the war, but also in the opening of the perspectives for a permanent stabilization of the situation in this region.

These clear results certainly have capital value and that doubtlessly gives historical importance to the Geneva agreement. They represent the sublimation of the courageous, wise and resolute policy of President Slobodan Milosevic. The constant element of that policy is the attitude: The solution of all disputes must be reached through political negotiations, with an equal recognition of the interests of all sides in the conflict. That policy has been accepted by the conflicting parties in Bosnia and the relevant international factors. That is doubtlessly a big diplomatic victory for our president. That policy has protected the realistic interests of our people across the Drina, and prevented the involvement of Yugoslavia in the war; it makes the sanctions untenable, and brings Serbia back to the place in Europe and the world where it has always belonged. Today we are the strongest and the most effective factor for peace in the solving of the Yugoslav crisis, and the world has had to admit that reality. I am convinced that the forthcoming peace conference, based on the Geneva agreement, will bring the desired and badly needed peace to this region.

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Milosevic's Leading Role

[Popovic] In your opinion, what was the reason for Pale to come closer to Belgrade and finally allow President Milosevic to formally overtake the leading role in the negotiating process with the international community?

[Minic]) By agreeing to President Milosevic's taking over the leading role in the negotiating process, the Pale leadership made the only correct and the only possible choice. Today it is clear to everybody, even to those who out of political blindness do not want to admit it, what has been missed and lost over the last year because of their rejection of the Contact Group plan. The consequences of that fatal mistake—the unnecessary civilian victims, the loss of strategically important territories, the conflict with forces that wish to annihilate the interests and the struggle of the Serbian people—have in the last year proved to everybody that the only way out is to return to the negotiating table. At that time, some did not like the sharp words of warning and the concrete moves designed to make Pale accept the peace plan, and today it has been proved that, unfortunately, those words of warning were a true and clear political prognosis. [passage omitted]

People Are With the SPS

[Popovic] How do you see the position of the SPS on the multiparty scene of Serbia today?

[Minic] We are aware that the SPS today holds a huge amount trust among the citizens and the people, and at the same time a big responsibility as the party in power and as a left wing party.

The SPS has been confirmed and persists on the political program the goals of which are peace, economic and cultural reconstruction and development, respect of human rights and the rights of national minorities, social justice and solidarity, strengthening of the legal state and the fight against crime and all forms of unlawfulness.

The SPS has prevented the involvement of Serbia in the war. In Serbia people live in peace, with a high degree of security, national, religious and political tolerance. Executing power, the SPS has protected Serbia from deterioration and the sale of its economic resources. In the circumstances of blockade, production has been maintained in vital sectors. Education, the health system, social protection are on the level that the economic strength of the country allows.

The SPS today has a recognizable identity as a modern, democratic party of the left, a party with the greatest reputation among the citizens, a party that has a program of reforms and development for the 21st century, creative potential, organizational possibilities, political capacities, a good reputation and the trust of the citizens to enforce that program. In this way the socialists have become indispensable in the further development of our country. [passage omitted]

There Will Be No Divisions

[Popovic] Unlike the opposition parties, the SPS has, at least in public, managed to resist internal disruptions for a long time, or to solve them in a painless way. What has been going on in the SPS today? Political gossip talks about internal "clashes" in the SPS, and often gives the words of some prominent SPS members (for example, Mihailo Markovic) as an example.

[Minic] The words of Mihailo Markovic represent his personal attitude. What our biggest political opponents cannot forgive us is the stability and unity of our party. It is like that because, unlike other parties that are prone to quarrels and divisions, the position we hold for the moment is not the reason for belonging to the party and its policy [sentence as published]. The "political gossip" that you mention in fact comes from the opposition, which, for five years now, has wished for, anticipated and tried to provoke divisions within the SPS. The opposition parties know that the socialists, thanks to their unity, have become a strong and powerful party, reputable and influential, with an enormous trust among the citizens. The unity of the SPS does not mean that in the SPS there are no discussions, different attitudes and opinions on the numerous problems that our society and party is facing. We are not a dogmatic but a democratic party, in which there is an open dialogue and discussion on all the actual problems that we are facing; but we enforce the attitudes we take undividedly. We do not turn the differences and "clashes" in our discussions into cadre "clashes," into the creation of some sort of factions.

[Popovic] There are opinions that there is a "hard" and a "soft" wing in the SPS leadership, and that there are some very big ideological differences between them, concerning the solution of the present problems and the long-term development of society?

[Minic] The SPS, its membership and its leadership are gathered around their program, their president Slobodan Milosevic and the policy he leads, and no political gossip can question that.

There is no division to some sort of "liberal" and "dogmatic," "left" and "right," "war" and "peace," "hard" and "soft" wings, nor are there going to be any. These are the futile wishes of those who wish to break the SPS by attempts at various divisions, both in the leadership and membership. They will not succeed in that. [passage omitted]

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[Box, p 3]

Thieves Will Get No Amnesty

[Popovic] In your opinion, what is the hardest and most complex problem that our society faces, apart from stopping the war?

[Minic] Crime. That is without doubt the most complex problem and the biggest evil in our society. Crime has complex causes in the disintegration of the country, the imposing of sanctions, in the efforts of the world, which does not approve of independent Serbia, to 'criminalize' our society, to destroy the basic moral values and principles from within. The most serious form of crime is the one within the economic sphere, the one that misuses the power; organized crime, which aims to turn misuse, misappropriation, and plunder into a system. The socialists will continue to politically condemn manifestations of this, and demand that the government sharply punish them. One thing is certain—thieves will always be called by their real name, and nothing can give them amnesty for what they did, particularly not high positions, political orientation, or wealth acquired in dirty deals.

In very complex circumstances, the relevant state authorities have managed to maintain the personal security of the citizens and their property at an enviable level. I am convinced that they will persist in this, and we will give them full political support to create normative and material conditions for the fight against crime to be won.

Commentary Says U.S. Plan 'Not a Bad Start'

AU0310094795 Belgrade NASA BORBA in Serbo-Croatian 28 Sep 95 p 8

[Commentary by Jovan Radovanovic: "Goodbye or See You Later?"]

[FBIS Translated Text] The Americans have decided to show their European allies and the Russians how peace is made. After driving the foreign ministers of the FRY, Croatia, and Bosnia-Herzegovina into a corner, one should just wait for a TV image of a smiling Bill Clinton forcing the gentlemen Milosevic, Tudjman, and Izetbegovic to shake hands and smile at the camera.

The robust approach of Richard Holbrooke and his readiness to, when necessary, shout at his aides and even tell them, quite undiplomatically and without mincing his words, that they are talking nonsense (the original version is rather unsophisticated—bullshit), is producing results. Americans, particularly Mr. Clinton, can be satisfied, which cannot be said for the republican presidential candidate in the 1996 elections, Robert Dole, but we shall leave it to them to decide on that matter, shall we not? By forcing peace on Bosnia, the presidential campaign has started.

Now will follow the implementation of the U.S. plan—an integral Bosnia divided into two parts. The three sides have agreed that the basis of the future constitution of Bosnia-Herzegovina is two entities with a common assembly, presidential council, and constitutional court, whose members will be elected in free general elections under international supervision.

That is not a bad start.

On the ground, all the sides are trying to seize as much of their centuries-old and historic land as possible, without paying much attention to the necessity to maintain the current peace momentum, as the cautious head of the State Department, Christopher, put it.

How the military activities on the ground will be halted is, for the time being, still not known. How UNPROFOR [UN Protection Force], NATO, the European Union, Russia, and other interested (particularly Muslim) countries will behave is also left to further tedious debates between Sarajevo, Zagreb, Belgrade, Washington, Brussels, Moscow....

The crucial question for hundreds of thousands of people in Bosnia-Herzegovina, the Knin Krajina, as well as in eastern Slavonia, Baranja, and western Srem, remains: Where will they go? To which side? What will instant peace offer them and how long will it last anyway?

Everybody needs peace badly. This, I guess, should not be particularly emphasized. But will the tripartite agreement reached in New York be the introduction to the end of the war in Bosnia-Herzegovina, or will it be, as many suspect, just a respite until a new war?

Of course, there are many people who will say that, at the moment, it is a premature question. And they will be right to a degree.

But there will also be enough of those who see in the smiles and handshakes exchanged between Milutinovic, Granic, and Sacirbegovic in New York, with Holbrook standing in the background, just a big point that the current U.S. Administration has scored for its domestic image.

It is foolish to think that the three warring factions in Bosnia- Herzegovina are accepting the varied concessions they have to make under pressure from the only world power because of its domestic interests without each of them still calculating that, in the meantime, they will score a point or two for themselves at the expense of the other sides. Is it necessary to recall that the Croats

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have open aspirations to add, formally or informally, the so-called Muslim-Croatian federation to their state? As for the Serbs, they aspire to add their entity to Serbia, or to secure for themselves a decisive influence in the aforementioned federation, if they cannot get the whole of Bosnia.

Some basic factors, necessary for accomplishing a lasting peace in Bosnia-Herzegovina and in former Yugoslavia in general, are being circumvented. Which means that the peace plan must ensure the safe return of all refugees and displaced persons to their homes with the observation of all their human and civil rights and freedoms. A lasting peace means that, say, in the entity called the Serb Republic, the guarantee of human rights for the Serbs, as well as for the Muslims and the Croats, should not be just a dead letter. Likewise, in the entity called the Muslim-Croatian federation, the Serbs cannot be treated, either formally or practically, as a second-class people or national minority.

This delicate question is being dodged right now, and as many people have already noticed, at least in this phase of the peace momentum, the results of merciless ethnic cleansing by all sides are actually being recognized. Such recognition will only make possible further ethnic cleansing in the entities, and it is always a new-old motive for the continuation of war. At this point, it is difficult to see the end of the war. Not to mention the example it offers to many new potential trouble spots throughout the world. Sooner or later, there will be new territories that, because of the impossibility of living together, will have to be cleansed.

There will be no lasting peace either in Bosnia-Herzegovina or in former Yugoslavia until those important factors in the peace process are established as values of civilization that nobody can destroy by guns, missiles, planes, or any sort of human transfer....

If the equality of all people regardless of their national, religious or political affiliation fails to be ensured in the future Bosnian entities by that peace process, a lasting peace will be very remote. There will be no such peace until both Serbia and Croatia ensure a democratic course that will not only reflect itself in the way acute questions are dealt with, such as the status of national minorities, but also in the observation of the human, political, and economic rights of all the citizens of these states and their integration in Europe and the world community.

Until then, I am afraid, regardless of all diplomatic "successes," old or new maps, constrained smiles and handshakes, even this "peace momentum" may only be—see you in the next war!

Montenegro

Bosnian Serb Refugees Return Home to Foca

LD0210140395 Belgrade SRNA in Serbo-Croatian 1219 GMT 2 Oct 95

[FBIS Translated Text] Podgorica, 2 Oct (SRNA)—More than 450 Bosnian Serb refugees returned to Foca [in Bosnia-Herzegovina] from Montenegro where they had sought shelter during NATO air strikes against the [Bosnian] Serb Republic, said Ivanka Kojic, a representative of the Montenegrin commission for refugees, speaking in Podgorica today.

She told MONTENA-FAX [news] agency that 200 refugees remain in Pluzine and 100 in Niksic and that they also plan to return soon.

There are no details about refugees who found accommodation with friends and relatives in Montenegro.

According to Kojic, 2,304 refugees from Knin Krajina [in Croatia] had arrived in Montenegro by the end of last week. She said it is "evident" that they are reluctant to accept accommodation in refugee centers in Gusinje and Petnjica near Berane.

Kosovo

Over 1,500 Serb Refugee Children Enter Schools

LD2909203695 Belgrade TANJUG Domestic Service in Serbo-Croatian 1623 GMT 29 Sep 95

[FBIS Translated Excerpt] Pristina, 29 Sep (TANJUG)—According to the provincial secretariat for education, 1,545 pupils—refugees from the war-ravaged regions of former Yugoslavia—have so far been enrolled in Kosovo elementary and secondary schools. [passage omitted]

Vojvodina

Parties Create Yugoslav Democratic Movement

LD2709191495 Belgrade TANJUG Domestic Service in Serbo-Croatian 1024 GMT 27 Sep 95

[FBIS Translated Excerpt] Subotica, 27 Sep (TANJUG)—The Yugoslav Democratic Movement [Jugoslvenski Demokratski Pokret—JDP] has been founded in Subotica [Vojvodina]. It has been formed out of three parties: The Federal Party of Yugoslavs, the Bunjevci and Sokci Party, and the League of Communists of Yugoslavia.

The aim of the movement is the democratization of political life in Subotica, the reduction of tensions caused by national majority out-voting in the assembly's

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decisionmaking process, and the stimulation of tolerance and togetherness, Stane Zitnik, one of the initiators of the movement and chairman of the municipal committee of the Federal Party of Yugoslavs stated. [passage omitted]

Officials Meet Chinese Economic Delegation

LD2709212295 Belgrade TANJUG in English 2048 GMT 27 Sep 95

[FBIS Transcribed Text] Novi Sad, Sept 27 (TANJUG)—Vojvodina executive council president Bosko Perosevic informed on Wednesday a trade delegation from the Chinese Jilin Province about the social and economic situation in that northern Serbian province and the Federal Republic of Yugoslavia (FRY).

Perosevic informed the delegation, headed by provincial vice premier Quan Zhezhu, about the current humanitarian situation created by the consequences of the conflict in former Yugoslavia and international sanctions against the FRY.

'It is indisputable that the world has erred against us, but owing to our peaceful policy and President Milosevic personally, we expect that the world will soon remove all restrictions in order that we might join in international commercial and financial processes,' Perosevic told the delegation which included also Chinese Ambassador to the FRY Zhu Ankang.

Perosevic stressed that certain preparations were being made for a market economy, but without rash moves stressing that the FRY was in favour of cooperation with all to mutual advantage.

Chinese delegation head Quan Zhezhu stressed that, in view of the scientific, industrial and other potentialities of Jilin Province, there was a good basis for all-round cooperation with Vojvodina.

'We have come here intending to establish contact and offer conditions for future cooperation,' Quan said and invited Perosevic to visit Jilin Province.

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